Daily Report

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International—TANJUG reports that UN special envoy Cyrus Vance blames Milan Babic, president of the "Republic of Serbian Krajina," as "the only obstacle standing in the way" of a successful deployment of UN troops.

Russian Deputy Foreign Minister Yuriy Deryabin met with President Franjo Tudjman and Foreign Minister Zvonimir Separovic in Zagreb where he announced the Russian Federation's "imminent" recognition of the Republic of Croatia. An official announcement is "expected within the next few days," TANJUG reports. Deryabin later met with Slovene Foreign Minister Dimitrij Rupel in Ljubljana to acknowledge "the independence and sovereignty of the Republic of Slovenia."

Croatia—The "Republic of Serbian Krajina" adopted a law defining temporary territorial organization. According to TANJUG, the law includes several additional municipalities included as part of Krajina's territory. A ruling was also adopted dividing "the republic's entire territory into four counties: North Dalmatia, its seat in Knin; Kordun, its seat in Vojnic; Banija, its seat in Dvor; and Lika would have its capital in Gracac."

Macedonia—The government's decision "to limit the activities of the Yugoslav People's Army (JNA)" and "introduce a special program for the movement of military vehicles and aircraft" in the republic has elicited an exchange of letters among Macedonian President Kiro Gligorov, SFRY Presidency President Branko Kostic, and Defense Secretary Blagoje Adzic. Belgrade radio reports that Kostic asked Gligorov to hold off on implementing the restrictive measures against the JNA and instead proposed a meeting next week "to discuss unresolved questions and find a joint solution." Gligorov responded with a statement to the media that there is "no need" to hold talks with "the illegitimate, so-called SFRY Presidency," and sent a letter to General Adzic requesting a meeting on the withdrawal of the JNA. Adzic in turn stated that he "is not authorized to hold such talks and negotiations" without the concurrence of the SFRY Presidency, according to Belgrade radio.

Meanwhile, the Macedonian Government is holding talks with the JNA Third Military District commander in Skopje in anticipation of finding a solution to the problems "provoked by the swift withdrawal of Army property from the republic and the behavior of the Army personnel during this withdrawal," according to Sarajevo radio. As a result of the "upheaval" caused by the Army "conflict" Macedonian Ministry of Internal Affairs units remain "at the highest level of readiness."

Serbia—TANJUG reports 20 terrorists "wearing JNA uniforms" "infiltrated" Serbia from Croatia, resulting in eight arrests and three fatalities. Radovan Stojicic, deputy Serbian police minister, reported the other members of the terrorist group, including their leader Ivica Krnjak, are still at large. The group's mission was to "mine the bridges across the Danube, which link Serbia and Baranja."

Hungary

MTI reports that during a visit to Budapest, FRG Chancellor Helmut Kohl signed a "general agreement" between Germany and Hungary which envisages support for EC entry, a "regular political dialogue." According to Budapest radio, Kohl stated that Hungary "could join the EC after 1995... after Sweden, Finland, and Austria have been admitted." However, Kohl affirmed that the possibity of Hungary purchasing former East German weapons is "out of the question" as long as there is a war in Yugoslavia.

Protest Sent to CSCE on Deaths in Kosovo

AU0602115492 Tirana ATA in English 1001 GMT 6 Feb 92

[Text] Tirana, February 6 (ATA)—On February 5 the foreign minister of Albania, Ilir Bocka, sent a letter to the foreign minister of the Czech and Slovak Republic and chairman of the Council of the Foreign Ministers of the CSCE, Jiri Dienstbier, through which he protests against the killing of two Albanian parents in the Uce village of Kosovo, while they were accompanying their children to school. The Albanian minister demands that the letter be distributed to all the CSCE member countries and the latter render their aid to give an end to the violation of the national and human rights in the Republic of Kosovo.

Ministers Depart for Adriatic Conference in Italy

AU0602195292 Tirana ATA in English 1905 GMT 6 Feb 92

[Text] Tirana, February 6 (ATA) — On February 6, the Albanian foreign minister Ilir Bocka and the minister for economic relations with foreign countries, Ylli Cabiri left for Venetia of Italy to take part in a meeting of the "Adriatic Initiative" grouping.

Defense Minister Meets With Italian Envoy

AU0602120092 Tirana ATA in English 0957 GMT 6 Feb 92

[Text] Tirana, February 6 (ATA)—On February 5 before noon, the minister of defence, Alfred Moisiu, received at a meeting the ambassador extraordinary and plenipotentiary of Italy in our country, Mr.Torquato Cardilli.

After thanking the Italian guest for the aid the neighbouring Italy is rendering, through the "Pelican Operation" to our people in these dificult days, Mr. Moisiu spoke of the democratic developments in our country, the current problems and the backing up of the democratic processes by the army, in the conditions of its reformation, in conformity with the standards of the Western armies.

Meanwhile, they discussed bilateral problems dealing with the possibility of education for the military students, the qualification and specialisation of the new cadres in various courses, making more effective the gaining of experience also in the military field.

At the meeting views were exchanged also on the present situation in the Balkans, the need of tranquillity and stability in this region.

The meeting was held in a warm and friendly atmosphere and there was understanting for the strengthening and broadening of the bilateral relations also between our two friendly armies.

'Armed Incident' Reported on Greek Border

AU0602124292 Skopje Radio Macedonia Network in Macedonian 2100 GMT 5 Feb 92

[Text] An Albanian has been killed in an armed clash on the Albanian-Greek border. Eye witnesses say that the Albanian was a member of a band of thieves. This was the second armed incident to occur in the last few days on the border between Greece and Albania.

Ministry Releases Data on Private Farms

AU0602121092 Tirana ATA in English 1007 GMT 6 Feb 92

[Text] Tirana, February 6 (ATA)—Recently various land owners are joining the land thus forming private cooperatives or private rural firms, which represents interest for Albanian agriculture as a western experience, especially from Italy, USA, etc.

According to the data of the Department of Privatization at the Ministry of Agriculture, these unions are being carried out on the kins' or villages' basis comprising up to 15 families. United in this form, the peasants have some favours, such buying seeds, fertilisers and chemicals together and in the perspective they will buy agricultural machines. Actually, 9 private agricultural associations have been created with a special status, which defines the way of organization, running down to the distribution of products and incomes.

A private association in the villages of the district of Kruja is formed with the aid of the US "Woca" association. The idea is that various workshops will be created there, in which the production of private peasants will be processed and traded as a ready made product of the private peasant productive firm.

Zhelev Returns Competition Bill to Parliament

AU0602140992 Sofia BTA in English 1324 GMT 6 Feb 92

[Text] Sofia, February 6 (BTA)—On the authority of Article 101, Paragraph 1 of the Constitution Bulgarian President Zhelyu Zhelev returned the amendment to the Protection of Competition Act to the National Assembly for further consideration.

One of the motives of the president was that the amendment does not fix the duration of the mandate of the Commission for the Protection of Competition Members.

The president exercised his right of suspensive veto for the first time since his reelection.

Adviser Resigns Over Dispute With Trade Union

AU0602141192 Sofia BTA in English 1339 GMT 6 Feb 92

[Text] Sofia, February 6 (BTA)—In connection with reports in today's press about his resignation, Mr. Konstantin Mishev, adviser to the prime minister, told BTA that his decision was prompted by the pressure the trade unions are exerting on the government.

Mr. Mishev also said that he and other members of the prime minister's team had advised Mr. Filip Dimitrov to hand in the government's resignation. That would show to what extent the parliamentary SDS [Union of Democratic Forces] is ready to back the cabinet, he pointed out.

Mr. Mishev explained that if the trade unions do not give up the attempts to interfere in executive power and if the parliamentary SDS fails to take a clear stand on the matter, Bulgaria will be facing a serious threat. "I do not want to be part of a fourth national catastrophe," he said.

Meanwhile it became clear that Mr. Mishev's resignation has not been accepted yet.

Repair to Nuclear Plant on Schedule

AU0602130192 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 6 Feb 92

[Text] Here is some information from the National Electricity Company, from Deputy Chairman Zhak Karakash.

The repair work on the sixth generating unit of the Kozloduy Nuclear Power Plant is progressing well and on schedule. In Mr. Karakash's opinion, the most optimistic current forecast is to complete the repairs by Sunday evening and then begin start-up tests. According to technological requirements, these tests usually take three or four days.

Thus, the present schedule for the use of electricity continues. The answer to the question on whether the schedule will still be in force on Saturday and Sunday is positive.

On Saturday and Sunday there will be power cuts. Present climatic conditions do not allow the use of other sources. Therefore, the power cuts over the weekend will be the same as during the week, 3:1. [three hours with electricity and one hour without] We will be informed of any additional changes by the National Electricity Company.

As we have already announced, the time needed to repair the fault in the third and fourth generating units at Kozloduy is well known.

What is the current situation at the other two power supply plants, the Maritsa-Iztok Three and the Varna Thermo-Electric Power Plants?

Our correspondents Nayden Angelov and Georgi Sveshtnikov have sent us reports with which I will acquaint you:

During the night, the 210-megawatt generating unit of the Maritsa- Iztok Three was stopped because of a fault, before it was possible to start up another generating unit that had been shut down for the same reason.

Thus, today only the remaining two generating units are operating. In addition, the Maritsa-East Two Thermo-Electric Power Plant is only working at 670 megawatts. Probably, the restrictions on use of electric power will continue because the reserves of coal have decreased to 38,000 tonnes. This is sufficient for a 24-hour period, and if supplies are not delivered soon our power supply system may be deprived also of these capacities.

The information on the Varna Thermo-Electric Power Plant is more hopeful. The repair of the second generating unit has ended. This morning the unit was activated. Now our greatest coal-fired electric power plant is functioning at its full capacity. However, as our reporters point out, the supply of coal will last only 10 days. Only 20,000 tonnes of coal have been supplied since 1 January. This is the amount that is used up in a 48-hour period. The power plant administration is making efforts to ensure the supply of coal. For the time being, part of the capacities are activated by natural gas, which is three times more expensive than coal. The supply of natural gas also is inadequate.

Interior Minister Outlines Changes in Police

AU0602145992 Sofia DEMOKRATSIYA in Bulgarian 1 Feb 92 pp 1, 2

[Milena Dakova report on interview with Bulgarian Interior Minister Yordan Sokolov; place and date not given: "The Strong Police Will Guarantee Security, Order, and Tranquillity for Us"]

[Excerpts] The changes in the Interior Ministry are a natural process of renewal in the department, Minister Yordan Sokolov told a DEMOKRATSIYA reporter. They are necessary because of the rising crime rate and the expectations placed in the security organs. A national conference was held last November, at which it was

confirmed that the actions of the security organs and the preservation of public order were lagging behind the crime rate. Naturally, one must also allow for the fact that at present the whole of our equipment is extremely outdated, Minister Sokolov noted. It was precisely the fight against crime that compelled the ministry's leadership to review the leading staff, starting from the regional directorates. Mr. Sokolov said that cadre changes were necessary in cases where the directorate was not operating effectively, and in general these changes had already been carried out. Officers who had reached pensionable age were retired. All those who received awards under the notorious Decree 1,313 for active participation in the "revival process"—one of the greatest, if not the greatest of all crimes committed by the Bulgarian Communist Party against the Bulgarian people—were dismissed. At the moment, ethnic confrontation constitutes an exceptional danger for the country's internal security, so that persons who had displayed "zeal" could not remain in the service of the Interior Ministry organs. Such officers numbered 81, of whom 51 went into retirement and 28 were dismissed for reasons that made them unsuitable for employment in the ministry's organization, Mr. Sokolov said.

The new leadership of the Ministry of Internal Affairs considers that by preference policemen should be nominated as regional directors. It also believes that the police should become the main component in the Interior Ministry's structure, because on their shoulders lies the heavy responsibility of ensuring the people's tranquillity and allowing them to live and work normally. In a few cases, regional directors who had served in the former State Security had been replaced. In Mr. Sokolov's view, these officers do not possess the necessary professional experience. [passage omitted]

The minister is of the opinion that internal changes should also be considered in the existing structures. The last few months have shown that some of the structural changes made previously are not appropriate, such as the merging of the economic police with the criminal police and the abolition of the transport police as an independent division. The police officers are also of the opinion that these changes have not been successful. Regarding the economic police, suspicions exist that the change was made deliberately, with the aim of hampering the detection of economic crimes. Such crime is a particular problem at the moment, and the minister asserted that many members of the former nomenklatura are involved. Accordingly, one of the next actions to be taken by the ministry's leadership, said Mr. Sokolov, will be to reestablish the economic and transport police as separate divisions. Changes in the Penal Code are also under consideration, to cover and define as crimes acts that lead to serious financial and economic consequences. Minister Sokolov believes that the money laundering, which the economic police has been unable to counter so far, will also be made a crime.

The minister explained that changes in the Law on the Ministry of Internal Affairs have been made necessary because in a number of cases it is simply impossible to apply the law. He cited as an example the principle of external competition for appointments in the Interior Ministry's organization. Mr. Sokolov says that it is difficult to hold an external competition in a military-type department. He also explained that much of the ministry's work is secret to a greater or lesser extent, which also hampers the holding of external competitions. Third, after the Law on the Ministry of Internal Affairs came into force, his predecessor Khristo Danov issued orders to transfer the entire personnel of the Ministry of Internal Affairs and five regional directorates to new appointments. Since I took over my office, I have continued to make appointment changes. The law requires that competitions should be announced in all cases of appointment changes (which run into tens of thousands). Mr. Sokolov declared that this provision had been badly thought out and was physically impossible to fulfill. [passage omitted]

Mutafchiev Appointed Army Chief Inspector

AU0602152892 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 6 Feb 92

[Text] A regular briefing at the Ministry of Defense was held today. The new chief inspector of the Bulgarian Armed Forces was introduced. This is the former minister Army General Yordan Mutafchiev.

The Inspectorate is one of the organs in the new structure of the Ministry of Defense and is directly subordinated to the minister. Its basic tasks involve control, assessment, and recommendations in all fields of the Armed Forces' activity, including the troops of the other ministries. It was pointed out that this is a new organ, it is fundamentally different from the old Inspectorate, and that such organs of inspection exist in all almost NATO armies.

The Inspectorate, which includes generals and officers from the rank of major to colonel, has been thoroughly renewed, except for its former chief, Lieutenant General Grozdev, who becomes deputy chief inspector. In the future the Inspectorate will also include civilian experts. The immediate tasks of the new Inspectorate are related to the reforms in the Bulgarian Army.

Dienstbier Comments on Arms Industry Conversion

LD0602121492 Prague CSTK in English 1144 GMT 6 Feb 92

[Text] Prague Feb 6 (CSTK)—"There is no comprehensive concept for converting the arms industry to civilian production" in Czechoslovakia, Czechoslovak Foreign Minister Jiri Dienstbier says in an interview carried by Thursday's Czech daily MLADA FRONTA DNES.

Dienstbier was referring to last week's interception in the Mediterranean of a German vessel carrying Czechoslovak-made tanks to Syria. He pointed out that press comments deal with the incident itself but not with the essence of the matter—that Czechoslovakia has no law concerning the development of military technology, which would determine also the powers of the foreign and defence ministries in this area.

Dienstbier noted that in Czechoslovakia'a arms trade "immediate economic interests are taken into consideration and nearly ready contracts are presented to the inter-ministerial commission which approves arms deals.

The head of the commission, Stefan Glezgo, is also a federal parliament deputy, which means one person holds legislative, executive and control power, Dienstbier said. He stressed the need for Czechoslovak arms exports which would be in accord with the country's defence doctrine, conversion and foreign policy.

'Silence' on German Capital Disclosure Questioned

AU0602185892 Prague CSTK in English 2040 GMT 5 Feb 92

[Text] Prague Feb 5 (CSTK)—The Czechoslovak Socialist Party daily SVOBODNE SLOVO today voices surprise over the "circumspect silence" and "soothing words" being the only reaction to the recent revelations concerning alleged planned massive economic offensive of German capital in the Czech Republic. The daily is referring to a secret letter by a high officer of the Czechoslovak intelligence service warning against the possible consequences of growing one-sided dependence of the Czech economy on German capital. The letter was sent January 9 to the Chancellery of the Czechoslovak president, the Czech parliament chairperson, and the Czech prime minister.

The matter was discussed by the Czech Government at a closed-door session on January 20. Deputy Premier Jan Strasky said after the session that "(foreign) capital is so scarce (in the Czech Republic) that it is in no way necessary to deal separately with the German one." On January 22, Czech Industry Minister Jan Vrba said $1,000 million had been invested in the Czech Republic in 1991, a mere one-quarter of the country's yearly need. 80 percent was German capital.

"These are strange words if seen as the only reaction by Czech official places to the letter," the daily says. It stresses that nobody has as yet paid attention to the fact that, according to the letter, "German financiers purposefully strive for full domination of the Czech economy and do so in cooperation with (certain) Czech bodies won over for this purpose." This part of the letter, stressing the collaboration of the Czech side, "should arouse other than soothing tones," the daily stresses. "Czechoslovakia has such an unfortunate experience from unbalanced orientation on a dominant partner that a return to it ... should be unacceptable," the daily says.

"In the context of the demands ever more intensively heard from the ranks of the (German) Christian Social Union (CSU) as regards the (planned) German-Czechoslovak treaty ... the concern over our future becomes even greater," the daily concludes. The first report about the letter was carried by the independent daily LIDOVE NOVINY on Tuesday, complete with reaction by several Czechoslovak officials. Federal Interior Minister Jan Langos characterized the information as entirely ungrounded, Czech Interior Minister Tomas Sokol and Privatization Minister Tomas Jezek refused to comment on the matter. Federal Foreign Ministry Spokesman Egon Lansky said that at the moment he personally does not see the slightest reason for concern over the activity of German capital.

Czechs To Reinforce Non-German Capital Campaign

AU0602205392 Prague HOSPODARSKE NOVINY in Czech 5 Feb 92 p 2

["st"-signed report: "We Want To Enter the World, Not Just Germany"]

[Excerpts] Yesterday in Prague, the Czech Government adopted more measures to guarantee the smooth running of large-scale privatization.

It approved the method to be used when announcing the decisions on privatization projects. This method does not include any justification to those whose projects are turned down. The reason is obvious—there is no time. The second measure is, as Privatization Minister Tomas Jezek told reporters, a 50-member increase in the staff of the ministry. [passage omitted]

During yesterday's briefing, reports were confirmed of the Czech Government's closed meeting on 20 January, which dealt with the involvement of German capital in the Czech Republic. Czech Republic Deputy Prime Minister Jan Strasky said that, considering the overall low percentage of foreign capital in the Czech Republic, the government would not dramatize the situation. (Last year, according to Economic Policy Minister Dyba, foreign capital in the amount of approximately $700 million was invested in the Czech Republic, and 80 percent of the total came from Germany.) "In a market economy, a government cannot make a decision that would discriminate against German capital. The selection is a result of economic calculations. We have decided, however, to intensify the information offensive in other areas. The agency operating in the Czech

Republic Privatization Ministry will reinforce its campaign in France, Spain, the United States, and elsewhere. After all, we want to enter the world, and not just Germany," Jan Strasky emphasized.

Czechs Sanction Oil Pipeline From Germany

AU0602152692 Prague CSTK in English 1714 GMT 4 Feb 92

[Text] Prague Feb 4 (CSTK)—The Czech Government approved today building of an oil pipeline from the German town of Ingolstadt to the chemical works at Kralupy, central Bohemia, and Litvinov, north Bohemia.

According to Czech Deputy Industry Minister Rudolf Hanus, the question of financing the project should be resolved by March 15 by creating a consortium of Czechoslovak and German banks. The pipeline is expected to start operation in 1994 or 1995, Hanus said.

The international company "TAL," which will participate in the construction of the Ingolstadt line, will also invest in the modernization of Czechoslovak oil refineries. The "northern" alternative, a pipeline from the Baltic Sea via Schwedt and Leuna, the former East Germany, was laid off for the time being despite the fact that it would be cheaper to build.

The "southern" variant is regarded by officials as more reliable from the long-term point of view. The sources there are richer and transport lines from practically all world deposits converge on the Mediterranean.

Up to now, Czechoslovakia's biggest oil supplier has been the Soviet Union. On Monday a contract on the supply of 7.5 million tonnes of crude oil in 1992 was signed in Prague.

[Prague HOSPODARSKE NOVINY in Czech on 5 February on pages 1 and 3, in a similar report by Blanka Ruzickova adds: "Upon completion almost 3 million tonnes of crude oil could flow in this way as early as 1994. It is the minimum amount needed for continuous operation. The new pipeline should have a capacity of 10, possibly 15 million tonnes annually. Last year, 6.4 million tonnes of crude oil were used in the Czech Republic. According to the director general of the chemical industry at the Czech Republic Ministry of Industry, Premek Hlavnicka, the refineries in Litvinov and Kralupy can process almost 9 million tonnes annually. The expected market for oil products corresponds to this amount." According to the Ruzickova report, "the calculated total costs are approximately 9 billion korunas, and if the pipeline is utilized to capacity, the investment should pay for itself within 15 years." "Czech refineries," Ruzickova says, "will invest 45 million korunas in this venture, and this capital should be supplemented by investments from other partners, including foreign ones. Approximately 60 percent of the costs will be covered by credits."]

Deputy Minister Outlines Trade With Russia

AU0602203092 Prague HOSPODARSKE NOVINY in Czech 3 Feb 92 pp 1, 3

[Marcela Doleckova report: "Do You Want to Conduct Trade with Russia?]

[Excerpt] [passage omitted] In Czechoslovakia, we need 7.5 million tonnes of crude oil ($1,125 billion), 13 billion cubic meters of natural gas (of this, we will only pay $191 million for 2.1 billion cubic meters, since the rest will be paid from transit fees, etc.), fuel cells for nuclear power stations ($80 million), and 47,200 tonnes of nonferrous metals. The price for these and additional imports (approximately 21 items), totals $1.76 billion.

According to Lubomir Martak [deputy federal minister of foreign trade], the Czechoslovak side will pay for Russian imports by exporting goods. The trade mechanism will be arranged as follows: To pay for their purchases, Czechoslovak consumers of Russian basic commodities will gradually deposit money in the Czechoslovak Commercial Bank. These funds will be used to pay for the goods in which the Russian Federation is interested (food, drugs, chemical products, machines, spare parts, etc.) amounting to $281 million, and for redemption of the Russian debt ($160 million in 1992). This corresponds to the 40 percent of foreign currency income that the Russian Federation center claims from the foreign currency income of Russian enterprises. The remaining 60 percent of the value of planned Czechoslovak imports from Russia (in real terms, approximately $725 million)—which, according to Russian rules the enterprises are allowed to keep on their transit account [tranzitni ucet]— will be transferred by the Czechoslovak Commercial Bank to the accounts of specific Russian enterprises—exporters of crude oil, gas, fuel elements, nonferrous metals, etc. Russian exporters will use these accounts to pay for the purchase of Czechoslovak technology and goods in which they are interested. Here again, it will be up to Czechoslovak exporters to make their products interesting. The state has created an opportunity and it will be up to exporters to take it. [passage omitted]

National Councils Reach Agreement on Defense

AU0602180992 Prague HOSPODARSKE NOVINY in Czech 5 Feb 92 p 2

[CSTK report: "Agreements in Milovy"]

[Text] On the second day of its meeting in Milovy yesterday, the joint commission of the Czech and Slovak National Councils discussed issues regarding power sharing between the federation and the republics in the sphere of security and the protection of borders. The Czech side and the majority of the Slovak side agreed with the opinion that the state borders should be protected by a single border police corps subordinate to the federation. The commission has thus reached agreement on the last controversial point on its agenda—discussion

of security issues. According to Czech National Council Deputy Chairman Jan Kalvoda (Civic Democratic Alliance), only For a Democratic Slovakia Movement representatives adopted a different standpoint.

Further discussions focused on power sharing between the federation and the republics in the sphere of the defense of the state. Ivan Carnogursky, deputy chairman of the Slovak National Council (Christian Democratic Movement), and Federal Defense Minister Lubos Dobrovsky stated in an interview for CSTK that representatives of both republics had reached unanimous agreement on the fact that defense—as far as legislative and executive powers are concerned—comes under the jurisdiction of the common state. The joint meeting of the Czech National Council and the Slovak National Council continues in Milovy today.

ODU-VPN, DS Outline Campaign Priorities

AU0602152892 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 4 Feb 92 p 2

["(ksm, ak)"-signed report: "What Is Beneficial to the Federation"]

[Text] Prague, Bratislava— Coupon privatization will make the Federation stronger. This was said at a Civic Democratic Union-Public Against Violence [ODU-PAV] briefing in Prague yesterday. Its chairman, Martin Porubjak, even said that the interest of the public in privatization means the defeat of national-social trends in the Slovak Republic. Prime Minister Calfa adopted a position on the possibility of a union-style structure in the CSFR. He said that this would have its advantages and prospects, since it gives priority to the territorial and not the national principle. Yet, he considers the resolution of interrepublic relations to be the most important thing.

The Democratic Party [DS] considers the economy and its reform to be the core of its campaign platform. If the treaty on the constitutional structure is not concluded, the party will oppose adoption of a strictly Slovak constitution. Pavol Missik, executive deputy chairman of the party, said this at a Bratislava news conference yesterday. The constitutional status quo should remain intact and elections will determine the future course of action. The Democratic Party received the approved election law with satisfaction, since the law will enable small parties winning at least 5 percent of the vote to have seats in parliament.

Political Links of Right-Wing Weekly Viewed

AU0602163292

[Editorial Report] Prague RESPEKT in Czech No. 5, 3-9 February 1992 on pages 7-9 carries a 4,500-word article by Jan Brabec titled "High Politics: From the Iraqi Embassy to the Czechoslovak People's Party Secretariat in Trebic." The article analyzes items published by the private Czech weekly POLITIKA (POLITICS), an ultra right-wing publication prone to anti-Semitism, as well as the political connections of POLITIKA Editor and Publisher Josef Tomas.

Brabec begins by citing a letter from former POLITIKA contributor Jan Ciganek to the weekly's editor toward the end of last year. In the letter Ciganek announces his decision to "terminate our relationship" because of POLITIKA articles containing "attacks against other ethnic groups, particularly Jews." Ciganek writes that Julius Streicher, the publisher of DER STUFRMER, had been sentenced to death and executed for articles such as those "reflecting the contents of recent POLITIKA issues."

Brabec continues: "The reference to the militant Nazi journalist Streicher is by no means exaggerated. The very headlines of articles published in POLITIKA ("The Guiding Political Program of World Jewry," "Jew P. Tigrid—CIA Agent," "By Whom Is Czechoslovakia Ruled," "Vitkovice in the Hands of the Rothschilds," "Klaus Opted for Robbery," "Vaclav Havel's Crimes Against the Nation") indicate quite clearly what the authors want to tell their readers."

Brabec then reviews the history of the founding of POLITIKA. He says that POLITIKA, which identifies itself as a "private political and economic newspaper," was registered on 19 October 1990 and has been published since January 1991. POLITIKA began with an initial circulation of 2,000 and was "printed by means of primitive technology." The staff distributed the paper themselves. The paper has since raised its circulation to 10,000 and is "routinely available at newsstands." Brabec emphasizes that POLITIKA is being published with the explicit permission of the Czech Ministry of Culture and that it is being distributed by the state-owned Postal Newspaper Subscription Service (PNS).

Before launching POLITIKA, Tomas and his deputy Jaroslav Vorisek were reportedly on the staff of MLADA DEMOKRACIE, a "lunchtime youth daily" established by the Czechoslovak People's Party (CSL) in May 1990. MLADA DEMOKRACIE was short-lived, however. Brabec says: "On 24 May 1990 a peculiar article was published in MLADA DEMOKRACIE. It was entitled 'The Jews and the World,' and it was written by Vladimir Janik, who had been a political prisoner in the 1950's. In the article he refers to 'Jews who are more powerful than ever and who want to gain control over everything,' recommending that 'Jews examine their own nature and the history of pogroms and finally take a seat in the international casino with their hands on the card table.'" Toward the end of August 1990 Helena Bastlova, editor of MLADA DEMOKRACIE, left the paper to become deputy editor of the CSL daily LIDOVA DEMOKRACIE. In an interview with RESPEKT Bastlova recalls that "there had been arguments and disagreements within the [MLADA DEMOKRACIE] editorial staff, because of Tomas' and Vorisek's radicalism" and that "we parted on bad terms." Toward the end of the year the CSL finally "cancelled the registration of MLADA DEMOKRACIE."

After MLADA DEMOKRACIE ceased publication, Brabec continues, "Tomas and Vorisek got to know Miroslav Sladek, chief of the Republican Party, and started to write for his weekly REPUBLIKA [REPUBLIC]. Tomas applied for a job at LIDOVA DEMOKRACIE. He was not hired there, so he and Vorisek set up a newspaper of their own."

In an interview reprinted in Brabec's article, Tomas presents the views that he promotes in his weekly. He says: "I am convinced that international Jewry stands behind everything and that it controls the course of history through its capital. We only publish the facts about this. Take, for example, a look at the post-revolutionary committees in Russia after 1917. Only Jews. I believe that trying to conceal those facts might lead to pogroms. We are trying to find a responsible solution."

Airing his views on President Havel, Tomas tells Brabec: "Vaclav Havel had a Jewish grandmother and he has brought droves of Bolsheviks into the state leadership. Havel has also desecrated the St. Wenceslas Statue when he had a wreath in the form of the Jewish star placed there. This was like laying a wreath in the form of a swastika there. The Jewish star symbolizes the suffering that Jews had inflicted upon mankind during the course of history. At the same time, there is no anti-Semitism in Czechoslovakia. The incitement of national intolerance, including anti-Semitism, is an instrument of Jewish policy."

Speaking of the Holocaust, Tomas says that "the entire World War II genocide was organized by Jews. Hardly anyone knows that Eichman and Mengele were Jews." Tomas contends that his claims are "based on serious historical studies" and refers to the works of historian Pavel Kocek, an employee of the Federal Foreign Ministry's Institute of International Relations. According to Brabec, Kocek "publishes in the weekly POLITIKA a series titled 'The Historical Roots of Contemporary Judaism,' subheaded 'The Guiding Political Program of International Jewry.'"

Besides citing the views of Tomas, Brabec also interviews two other regular POLITIKA contributors—Deputy Editor Vorisek and former political prisoner Miroslav Dolejsi. Vorisek tells Brabec that "the public should know things such as that [presidential adviser Pavel] Tigrid is a Jew. Why does he keep it a secret? Why is he not open about it? We are here to say such things. We consider the present team in power to be criminal because they have completely opened Czechoslovakia to everyone. In this way we have lost our sovereignty. We have left Sladek because his debolshevization drive is conceptually weak."

Dolejsi, who is also the author of a study on the background of the 17 November 1989 events in Czechoslovakia, tells RESPEKT: "International political decisions are made by a group of gentlemen who control the absolute majority of capital in circulation worldwide. The fact that Tigrid is a Jew would not be interesting if it were possible to rule out Israel's enormous influence on global events, if the Jews were only an insignificant little nation somewhere in the Middle East. Yet Israel's influence on its fellow believers is enormous. The Jews have exerted mighty pressure on leaders in the former communist countries and have been successful. Israel has a paramount interest in paralyzing Europe and gaining control over it in order to prevent Europe from supporting the Arabs." Dolejsi is also quoted as having told RESPEKT that in autumn 1991 he visited France "at the invitation of Le Pen" to inform the French politician about his views on "developments in Europe."

Brabec also discusses POLITIKA's domestic political contacts. He notes that the address listed on the POLITIKA registration is the apartment of Helena Markova, head of the agricultural section of the Confederation of Czechoslovak Political Prisoners (KPVC), and that the weekly's first issues were printed in the apartment of Zdenek Rejdak, a contributor to the CSL publications LIDOVA DEMOKRACIE and OBZORY. Brabec also observes that when Tomas and Vorisek sought financial support, "the people they turned to were predominantly from CSL circles—[Former CSL Chairman] Josef Bartoncik, [former CSL General Secretary] Jiri Cerny, and [Former Deputy Foreign Minister] Vera Bartoskova."

In an interview with Brabec, Bartoncik admits to having been in contact with Tomas and Vorisek but denies that they are being financed by the CSL. He says: "I, too, would like to know who finances them. They hover at the borderline of what is tolerable and the sources they use are not always solid. They come to see me from time to time and I expect them again next week. I do not know what are their intentions."

Brabec also mentions Tomas' contacts with Colonel Zbynek Cerovsky, former chief of the CSL Central Committee's Defense and Security Affairs Commission, and Dr. Malach, secretary of the CSL District Committee in Trebic. Asked by RESPEKT about his contacts with the POLITIKA publishers, Cerovsky reportedly conceded that he had supplied Tomas and Vorisek with "information," but added that "our relationship was brief" because "their articles seem to me to be extremist."

Concerning Tomas' international contacts, Brabec notes that in July 1990 the Palestinian Embassy invited the entire editorial staff of MLADA DEMOKRACIE to lunch. Although Bastlova turned down the invitation at that time, "one member of the editorial staff—Tomas—did go to the lunch." Similarly, after the outbreak of the Gulf war, Tomas and Vorisek reportedly visited the Iraqi Embassy and published an interview with the Iraqi ambassador in which he accused the United States of "carrying out a genocide of the Iraqi people." Tomas is also said to be the author of a brochure titled "Iraq-Kuwait Unofficially" which "defends Saddam Husayn." The brochure was published by the AGRES publishing house in Bratislava, which has

also published the "Protocols of the Elders of Zion, a textbook of anti-Semitism."

Following his visit to the Iraqi Embassy, Tomas reportedly "started to mediate contacts between Czechoslovak firms and the Iraqi trade attache." Brabec mentions one of these contacts concerning the "Drevoprojekt" company, which is involved in the planning of timber-processing plants and furniture factories. He emphasizes that no contract has been concluded.

Asked by RESPEKT about his political contacts, Tomas mentions that he has had two meetings with the Palestinian ambassador "with whom we discussed international politics and the problem of Israel and its terrorism." As for his failed attempt to mediate contacts between Czechoslovak firms and the Iraqi Embassy, Tomas says that this effort was motivated by the fact that "our republic has 20 billion korunas worth of claims in Iraq." Tomas expresses his disagreement with the embargo on trade with Iraq, saying that "it is a crime to bring politics into the economic sphere."

Tomas also admits to having "contacts with Le Pen, whose views are close to ours" and to being favorably disposed toward Jozef Bartoncik. "At the time when Dr. Bartoncik was party chairman, the CSL was very close to us. It was the only competent opposition to the present regime. It had 100,000 members and a complete organizational structure," he says.

Brabec's article also provides some biographical information on the publisher of POLITIKA. Tomas is said to be 29 years old and to come from Lechovice, which is near Znojmo in South Moravia. He studied journalism but never completed his studies. He started his journalism career working for the local radio station in Jicin and for the district paper ZNOJEMSKO. Later he joined the staff of the Brno studio of Czechoslovak Television. In 1984 he was accepted as a candidate member of the Communist Party of Czechoslovakia.

In conclusion, Brabec points out that in West European democracies extremist publications such as POLITIKA run the risk of criminal proceedings and huge fines. He criticizes the "lack of awareness" in Czechoslovakia that such periodicals ought to be liable to punishment.

Antall, Germany's Kohl Sign General Agreement

LD0602191392 Budapest MTI in English 1707 GMT 6 Feb 92

[Text] Budapest, February 6 (MTI)—Hungarian Prime Minister Jozsef Antall and German Federal Chancellor Helmut Kohl signed the two countries' general agreement in Budapest on Thursday evening. Under the agreement, Germany will support Hungary's endeavour to join the European Community as soon as the political and economic conditions for admission have been guaranteed. The agreement envisages a regular political dialogue on international affairs, with both the prime ministers and the foreign ministers conferring with each other at least once a year. Hungary and Germany will strengthen their cooperation in international organizations as well.

The Hungarian-German general agreement lays great emphasis on economic issues. Germany expresses its preparedness to assist Hungary in creating an advanced, market-based economy. The sides are to promote relations between Hungarian and German companies, joint projects, capital investment, and industrial cooperation.

The agreement stresses the issue of national minorities. The preamble states that the contracting parties regard national minorities as a natural bridge connecting peoples. In this spirit, Hungary's German minority has the right to protect and develop its ethnic, cultural, linguistic, and religious identity. The agreement stipulates that it is up to individuals to decide whether to declare themselves members of a national minority, but that this decision should never imply any disadvantage for them.

As a synthesis of former bilateral agreements, the Hungarian-German general agreement discusses cooperation in the fields of culture, agriculture, sciences, technology, communication, transportation, and health. Developing human contacts is an indispensable condition of understanding and conciliation between the two peoples, the agreement says.

The agreement envisages stepped up cooperation between the Hungarian and German authorities in combating crime, international terrorism, illegal immigration and transit, and drug trafficking. The agreement was signed for a ten-year term. Unless one of the parties announces its intention to cancel within a year of the expiry date, the agreement will be automatically prolonged for another five years.

Kohl Calls Treaty 'Building Block'

LD0602160292 Hamburg DPA in German 1457 GMT 6 Feb 92

[Text] Budapest (DPA)—Federal Chancellor Helmut Kohl praised the new Basic Treaty between the FRG and Hungary as "an important milestone in the history of our two peoples" in Budapest today. During the festive signing of the 33-article system of treaties at the Hungarian parliament, the chancellor assured his host of German support in bringing Hungary closer to the EC.

In his brief speech Kohl stressed the fact that Hungary had opened its border to the West for the fleeing GDR citizens in 1989, an event which marked the start of the collapse of the GDR. "We will never forget this proof of friendship and solidarity," Kohl said.

The treaty was signed by Prime Minister Josef Antall on the Hungarian side. Kohl was accompanied by Foreign Minister Hans-Dietrich Genscher on the first day of his two-day visit to Hungary.

The political program began this afternoon with a private talk between the two government heads. In the run-up to the visit it was reported in Budapest that the Hungarian side wanted among other things to bring up the question of the debts which Hungary had incurred with the former GDR. These are estimated a 500 million deutsch marks by the Hungarian side and considerably higher by the German side. The Hungarian Government is also interested in arms deliveries from the arsenal of the GDR People's Army. Bonn has so far opposed this request, not least because of the crisis in Yugoslavia, which borders Hungary. The Hungarian desire for greater investment by German industry is also likely to be discussed in the political consultations.

In his speech during the signing ceremony Kohl described the new basic treaty as an "important building block for a just and lasting peace order in Europe, characterized by freedom and human rights, the rule of law and democracy." Germans are committed with him to promote the restructuring process in the former communist country to the best of their abilities. Kohl also referred to the fact that the treaty opens up possibilities for the German minority which will greatly help insure that this group of people will "act as a bridge between our states and peoples" as it did for a long time in the past.

Tomorrow, the federal chancellor will meet representatives of the approximately 200,000 German Hungarians and he will lay a wreath on Heroes Square in memory of those fallen. Afterwards, State President Arpad Goncz will receive the chancellor and will award him the Grand Hungarian Cross. The program will end with a press conference given by Kohl and Antall.

Genscher, who intends to return to Germany this evening, had talks with the President of the Alliance of Free Democrats, the largest opposition party, as well as with leading representatives from the Federation of Young Democrats, another opposition party, on his program.

Sees Hungarian EC Membership 'After 1995'

LD0702105992 Budapest Kossuth Radio Network in Hungarian 0700 GMT 7 Feb 92

[Text] According to the German chancellor, Hungary could join the EC after 1995, that is after Sweden, Finland, and Austria have been admitted. Helmut Kohl spoke about this with Premier Jozsef Antall before the signing in Budapest of the Hungarian-German cooperation agreement which is valid for ten years. Tamas Frey supplies further details:

[Frey] The German-Hungarian basic agreement says that Germany supports Hungary's intention to join the Common Market. Chancellor Kohl, however, extending this by a step, said yesterday evening that the joining could take place anytime after 1995, all the more so because Europe without Hungary is truncated, or as the chancellor put it, just a torso.

Before signing the document, Jozsef Antall and Helmut Kohl held private talks for one hour about trade, possible Hungarian arms purchases, and compensation for the Swabians who were resettled after 1945.

The Hungarian prime minister assured the German chancellor that Budapest will do its utmost to insure in the UN Security Council that Germany should have a role in the world organization commensurate with its importance. The manner in which this can basically be understood is that the Antall cabinet supports Germany's intention that Bonn should gain permanent membership in the UN Security Council.

Says Arms Purchase 'Out of the Question'

LD0702140192 Budapest Kossuth Radio Network in Hungarian 1100 GMT 7 Feb 92

[Text] [FRG] Chancellor Helmut Kohl's international press conference is going on at this time. Our correspondent Tamas Frei is at the scene, and I have him on the phone:

[Frei] The two heads of government were a bit late in arriving at the Intercontinental Hotel because, according to rumors, Kohl held talks for longer than planned with President Arpad Goncz. The German chancellor, in his introduction, in the manner heard from him several times before, praised the Hungarian Government's policy of the past one and a half years, saying that this could lead Hungary into Europe.

Kohl indicated that there was full agreement between him and Jozsef Antall, that a solution must be found to the problem of the nuclear and chemical weapons of the former Soviet Union. We must (?know) these are safe, Kohl said.

Jozsef Antall, in his speech, which was three times as long as that of the German chancellor, dealt in detail with the basic concept of Hungarian Foreign policy, presumably intending his statements for the Western journalists who were present. On Hungary's current situation, he noted that at present, everyday life is difficult, the burdens are great, but an improvement will be perceptible next year. The West is optimistic regarding the Hungarian transformation, Antall said, giving thanks for Kohl's words of praise.

In reply to a question from Hungarian radio, the German chancellor acknowledged that yesterday, Jozsef Antall had privately raised the matter of Hungary's intention to purchase weapons of the former East German Army. Kohl said that this would be out of the question as long as there was a war situation in Yugoslavia. However, it would be conceivable later.

Antall on Germany's International Role

LD0702090392 Hamburg DPA in German 1908 GMT 6 Feb 92

[Text] Budapest, (DPA)—Hungarian Prime Minister Jozsef Antall has spoken in favor of Germany playing a role commensurate with its stature in international politics in the future. According to the Hungarian side, Antall announced in a talk with Federal Chancellor Helmut Kohl in Budapest today that Hungary will work in the UN toward ensuring that this German role is reflected in the organization. Hungary assumed one of the ten seats for non-permanent members of the UN Security Council for two years in January.

Participating circles say that the talk between the two government heads in the sumptuous Hungarian parliament, which was attended on the German side by Foreign Minister Hans-Dietrich Genscher, was marked by far-reaching agreement in assessing political issues, for example the Yugoslav crisis. Antall stressed that German-Hungarian relations are excellent.

On the issue of Hungarian debts owed to the former GDR, one of the few contentious issues between Bonn and Budapest, the two government heads expressed the view that this problem must be settled soon, without agreeing on any details. Hungary estimates the debts, which accumulated in so-called transferable rubles, amount to half a billion German marks, while the German Government has arrived at a converted sum totalling 1.3 billion German marks. Participants said the contentious question of Hungary's request for a delivery of weapons from the arsenal of the former GDR armed forces was not addressed.

When the German-Hungarian Treaty "On Friendly Cooperation and Partnership in Europe" was signed afterwards, Antall stressed the great importance which Hungary attached to that treaty. It concluded one stage in relations between the two countries and opened up a new one. The treaty was, moreover, a European agreement which opens the path to a European future. In the basic treaty, the federal government promises to support Hungary's admission to the EC "as soon as the political and economic pre-conditions for this are present."

In his speech after the signing of the treaty, Kohl stressed that Hungary needs Europe "but Europe also needs Hungary." Bonn will help the former East bloc country "wherever we can help." During his visit, which ends tomorrow, Kohl repeatedly underlined Hungary's role in overcoming communism in Europe. He recalled the Hungarian Government's decision to open the border for GDR citizens to leave the West in the late summer of 1989. "We will never forget these tremendous pledges of friendship by the Hungarian people," the chancellor said in his published toast during a dinner given by Antall for his German guests.

Kohl said with regard to the new basic treaty that the fact that the treaty set out the rights of the German minority in Hungary—around 200,000 people according to official figures—in line with European legal norms is of particular importance to the German side. "The German Hungarians can, from now on, actively help shape the future of this country while preserving their identity," Kohl said. He hope that there will be "concrete progress in the future" in the cultivation and preservation of the German minority's language, too.

Yeltsin Letter Seeks Intergovernmental Agreement

LD0602192692 Budapest MTI in English 1753 GMT 6 Feb 92

[Text] Budapest, February 6 (MTI)—In a letter addressed to Hungarian Prime Minister Jozsef Antall, Russian President Boris Yeltsin proposed that the two countries conclude an inter-governmental agreement to confirm what had been laid down in the Hungarian-Russian general agreement late last year, Antall told the Thursday session of the government.

In the letter, he said, Yeltsin expressed support for the Hungarian endeavour to pay last tribute to all Hungarians who had died on Russian soil in the second world war. Antall also informed the government of his talks with South African President Frederik Willem de Klerk yesterday.

Army Chief of Staff Interviewed on NATO Talks

LD0702103992 Budapest Kossuth Radio Network in Hungarian 0805 GMT 2 Feb 92

[Interview with Army Chief of Staff Lieutenant General Janos Deak by correspondent Istvan Kulcsar; place and date not given—recorded]

[Text] [Kulcsar] General, you gave a lecture to NATO, you met with various leaders, and you obviously had unofficial talks as well. What question did the NATO leaders, the NATO officials, ask most? What interests them the most about Hungary today?

[Deak] I spoke about the basic principles of defense and the transformation of the Hungarian Army. This interested them a great deal and they had many questions. I told them that the most important thing is that we want to avoid every war and every armed conflict, and that what we consider to be the most important is that peace should remain in this region, in Europe, and in the world as a whole. I told them that we have reduced the Hungarian Army; we have reorganized the leadership at the highest level and at the medium level. I also mentioned what a difficult situation we are in, particularly as regards the technical provision of the Hungarian Army, that we have old weapons and that our every expectation is that when the country's load-bearing capacity permits we would like to change this.

I also spoke about the fact that in the period of the Yugoslav civil war the Hungarian Army has been able all along to keep away from the conflict. This was our will, this was our objective. And they highly appreciated this.

They for their part reaffirmed that in accordance with the Rome agreement they would open up in our direction, and will initiate not only political cooperation but also military cooperation. It is probable that what this will entail is that they will involve the military leaders of the East European countries and the successor states of the former Soviet Union in the NATO Military Council sessions. This will probably be realized this year, perhaps in April.

They considered it important to get to know us as much as possible. They proposed that we should have a permanent representive in NATO headquarters, that is to say they requested a representative of the Hungarian Army. Our defense administration and military leadership are willing to do this and we will certainly gladly comply with this.

[Kulcsar] General, what is your impression about the way they see us and, let's say, the states who are in situations similar to ours? I am thinking here of the Visegrad Three—Poland, Czechoslovakia, and in a certain sense the Baltic countries. I have heard it said that NATO simply looks on these countries as some kind of cordon sanitaire which separates it from those east European and Balkan countries where certain unstable phenomena might be expected.

[Deak] They do not want to make distinctions. Therefore, in principle they wish to treat us, including the Baltic countries, in a uniform manner, and also even the other successor states of the former Soviet Union. But they know the differences precisely and they are planning bilateral discussions and coordinations as well. They respect us a great deal and I think that this became apparent in the course of the discussions. This is a good thing and can be a basis for further cooperation.

POLAND

Olszewski Addresses Gdansk Workers on Economy

LD0602231492 Warsaw TVP Television Network in Polish 2000 GMT 6 Feb 92

[Address by Prime Minister Jan Olszewski to workers at the Gdansk Shipyard in Gdansk on 6 February, followed by answers to workers' questions, as introduced by unidentified correspondent—recorded; no video available]

[Text] I must say that I could not resist a certain emotion, although it does not do for the prime minister, when I entered this hall here. I cannot resist this, for against my will it returns in my memory, it returns, this picture of August 1980, when I found myself here for the first time.

I would not want our meeting to have the character of a veterans' meeting. Present-day Poland is not a time for veterans, even the most noble. Despite the fact that the bulk of its composition consists of people who come from Solidarity, the government that I lead is not a veterans' administration. New tasks stand before us. A new stage has begun in Polish life. A new time. Two years divide us from that heroic, heroic period, in the course of which there have been both achievements—which is often forgotten—and also serious damage, losses, and errors, perhaps often unavoidable, but always causing specified consequences. Consequences that we must, in one way or another, all take on ourselves, and all bear.

Today, standing before you so as to give a report of the first six weeks of the work of this government, I must say that the legacy that we are taking over is not an easy legacy; that this country, this state, and this economy are today in a state of collapse. It is today in a state of collapse. We have attempted to make a certain kind of provisional balance sheet, a summing up, in these first weeks, such that the takeover of the direction of the state, the takeover of responsibility, might be connected with a certain kind of stocktaking, allowing us to ascertain what at point we are. This report we are preparing in two or three days' time will be published. This is not a document that will fill people with optimism. To sum up the present condition is to sketch a picture that is—which one looks upon with unease. Which one looks upon, with deep concern, for the road leading out, and with the conviction and consciousness that this road will not be an easy one. It will not be straightforward. It will not be short.

The next step we want to present to parliament, in the course of the next two weeks, and already now, when the first outlines will be ready—we want to present it to the workers' representation, we want to present it to Solidarity—this document will have the character of a rescue program, a program that will have as its intention, in the timespan of the coming few months, in the timespan of this year, to stop and turn back this bad trend in which the country and the economy finds itself. Only at the next stage, the stage of the next two to three years, will the march—perhaps slow at first—to a better future commence.

The assumption that it was necessary, that it was necessary to reject the entire achievement of state industry, the entire achievement of the state, the public sector of the economy, so as to be able to build a free market economy, was in error. This road turned out to be a road to nowhere, a road that is rather too costly for our conditions. For I think, ladies and gentlemen, that we must draw the conclusions, and must tell ourselves that it is necessary to adopt other starting points. These other starting points do not amount to a change in direction, for the direction remains the same—because this must be a direction toward the free market, toward the building of democracy in Poland, toward entrance into Europe. This remains without change. These are our aims. This society expressed itself in favor of these changes in a clear and unambiguous way. It struggled for these aims for several dozen years, and they cannot be rejected.

Alongside the crisis of the economy, that which exists at the moment, a matter that is perhaps more depressing is the crisis of the state, the crisis of the state apparatus. The principle was in force for two years that we will be constructing a new, democratic system, and a new, free Poland, with the aid of these same tools, identically constructed tools, with the help of which the communists ruled this country for 40-odd years. This was a bold assumption, but this assumption is not proving its worth.

The tools appear not to have been useful enough. Now, although it is very difficult, we have to set about transforming the structures of the machinery, so to say, on the move. If one talks about the necessity of decommunization in Poland, and that it has not been done, and that there are certain costs arising from that, I think that this is an issue which should be put here, and only here can it find its solution. We simply have to build a normal state here. We have to build it in the process of reforming the entire economy. This is extremely difficult, but it is necessary.

We are preparing such plans. They will be announced in the immediate future, will also be the subject of consultations with workers' representatives, and will be implemented. When they are announced, when the government is able to present them in a final form both to the parliament and to public opinion, we are going to ask—and here and now I am announcing it for the first time as the government's intention—we are going to ask the parliament, we are going to ask the Sejm, to give us special powers for implementing the reforms, for implementing them by decrees or regulations with the force of law. They will be under the control of the parliament, and may be later amended, but they must be granted to the government, as the reforms can be carried out in the aggregate and quickly, or not at all.

We have inherited from communism a theoretically very well developed social welfare system—theoretically developed as in practical terms this enormous range of powers was, in essence, simply not given to anyone. This really was social welfare for a small group of the chosen. Today it is binding within our law, and if we are to maintain it—and we want to build a state of law and order. We want all the legal norms that will be formally recorded to be implemented, they have to be—if we left it, the road which I outlined here would not be possible. It would be crossed out from the very start.

We have such an experience at the moment—without prejudging, of course, what the parliament will do with this—in the recent judgement by the Constitutional Tribunal. I do not want to get into an argument over whether this is a legally correct judgement or not. I know one thing, that its implementation would upset the equilibrium achieved with such difficulty, the equilibrium within our economy. That is why sacrifices will be necessary in the coming period. We will have to find necessary reserves to finance the push forward in our economy, through restrictions in those places where they are still possible, where there are unjustified privileges, but sometimes where there are rights which cannot be called privileges but which, for today, are rights granted above [word indistinct]. These things will not be easy, because we all agree on the necessity of reforms, but when they touch our rights, the situation often changes.

I must say here that I [words indistinct]. This is our aim, and I repeat that we will either achieve it altogether, in a joint, united effort, or we will not achieve it at all. The future demands sacrifices of all of us, or nearly all of us. Either we decide on this, or we abandon the cause in whose name we fought, and in whose name our friends, to whom we paid tribute a moment ago at this monument outside the gates of the shipyard, perished. [applause]

[Correspondent] In the next part of the meeting, representatives of the ministries of maritime economy and industry answered questions asked by those present in the Health and Safety Hall. One of the questions concerned the problem of the post-communist nomenklatura, which continues to be present in the economic life of the country. This issue was raised by Prime Minister Olszewski in the final part of the meeting.

[Olszewski] This is a question that would have been fully justified a year and a half or two years ago as well. Now it is justified to a great extent because a lot of the nomenklatura has remained. But it is not people who are the most important. Most important are mechanisms, the mechanisms into which a new power elite imprudently let itself to be drawn. Today, perhaps not here not in the shipyard, as it was the cradle of Solidarity, and Solidarity still means a lot here—we understand each other—but for many people in Poland nomenklatura has a different meaning. Nomenklatura already means they who had been, and sometimes remained, but also the new who came. This is the dramatic aspect of the question, as one cannot deny a certain amount of truth in such a statement.

One has to find an answer to a question, to a difficult and bitter question: Why has it happened, why our people, why are we meeting with such accusations? I think, ladies and gentlemen, that the fact of the matter is that we have adapted to those structures, that we have adopted the style as it was then, and it draws our people and disintegrates the whole organism of our state. It has to be changed as soon as possible. I talked about it while speaking about planned reforms and about the need for decrees for their implementation. If we succeed we will get rid of the hump, get rid of the inheritance and the remnants of communism.

I think that we will succeed, but under one condition—that it not merely be an idea of this government, but that it be a social fact, which will win your general support. This is not only my conviction, and this is not only your conviction, this is the fact to which my attention was drawn, and I heard about it several days ago in Rome. It was said to me by the pope, our Polish pope, who remembers the meaning of Solidarity, and he is of the opinion that this is a capital which should and has to be sufficient enough for the building of the new Poland. I am certain that it will be sufficient. Thank you. [applause]

Walesa Urges Unity in Peasant Party

LD0602182692 Warsaw Radio Warszawa Network in Polish 1500 GMT 6 Feb 92

[Text] President Lech Walesa spoke with deputies of the Polish Peasant Party parliamentary floor group and representatives of the [word indistinct] party for over 90 minutes in the parliament building. He emphasized that conflicts between the president, the government, and Parliament have to be avoided in building the foundations of democracy:

[Begin Walesa recording] We continue to fear the old system. We continue to secure ourselves against yesterday. We go forward too little. The government in which you participate makes mistakes—as did the others—but this experience is used to pay for leadership, to pay for evolution. We should try to improve the elements that brought this such evolution about so quickly. We are building nothing. We are creating restrictions everywhere. There is nothing. I am increasingly beginning to suspect the conspiracy version of virtually the whole world. That is why I am asking you [words indistinct] the new law to control lawbreaking, the law to help policeman and the police. We must, as a Parliament, as the president, create something together to control this. Something is happening that I do not fully understand. This is because we are not in touch, because we are not convincing people that we have this struggle and this danger. I am asking you in the name of building Poland together to do something. I am waiting for your initiative. [end recording]

Defense Minister Addresses Senior Officers

AU0602114092 Warsaw POLSKA ZBROJNA in Polish 31 Jan-2 Feb 92 p 2

['MZ' report on speech by Defense Minister Jan Parys at a meeting of the Ministry of National Defense Military Council in Warsaw on 29 January: "The Military Is the Cornerstone of the State"]

[Text] It is an honor for the heads of the Ministry of National Defense and the entire Military Council to have the chairman of the Council of Ministers among us. It indicates that the government headed by Prime Minister Jan Olszewski attaches the greatest importance to all aspects of defending the Third Republic's sovereignty.

The past two years have seen a growing imbalance between our country's defense capability and the threats to our security. Whereas the likelihood of a nuclear conflict between what are considered world superpowers has declined, the likelihood of local wars in Europe has increased.

Poland is becoming increasingly weak militarily. Our Army is still at a pre-information processing and pre-electronic age. We lack automated command systems, electronic defenses, and precision weapons.

Our previous governments reduced defense spending at a rate that outpaced the decline in national income. This has resulted in the capability of the Warsaw Military District falling to a level that is a dangerous for a frontline district. I believe that the decline in defense spending in real terms must be stopped. The defense industry, an engine of progress in the rest of the world, has become a burden in our case. I believe that our efforts to obtain funding for defense oblige us to make economies and streamline spending within the military as well as in the environment surrounding it.

I also consider this to apply to voivodship civil defense structures, voivodship defense committees, and voivodship military headquarters, whose functions are sometimes duplicated in the regions.

I believe that the threats that exist are of an asymmetrical kind. It is not true that the dangers that Poland faces are identical regardless of what point on the compass is chosen. The facts do not support such an assertion, and I firmly reject it. It cannot serve as the basis for defense policy. I can see that the role of German capital in Poland is expanding and that the German minority is becoming politically active, but that does not mean that there is a military threat to our sovereignty from the West. As long as Western Europe is united, I do not see Germany posing any kind of military threat. I consider all statements about identical threats from east and west to be divorced from reality.

At the moment, our country is not linked to any state through by means of an alliance. We are an isolated country. UN or CSCE structures do not provide any guarantees. The example of Yugoslavia has demonstrated that. The circumstances that I have described above lead me to suggest that the only solution for Poland's security is to abandon military isolation and to ensure that our Armed Forces have support from outside. There is one security system in Europe at the present time. So, we do not have a great choice. Our desire for freedom in determining the fate of the country has to be coupled with the necessity of cooperation with NATO countries. This means that just like the whole country, the Armed Forces have to shift from an eastern or neutral orientation to a North Atlantic one. This has already been accomplished in the economy.

The Eastern military bloc has disintegrated, and that has to be appreciated even by those who long for past. Today, there is no longer a choice between neutrality and NATO. I have just had talks on this subject with the president and with the prime minister.

The priorities are clear. Our military weakness compels us to seek military cooperation with the West. If anyone—and this applies to senior officers in the Armed Forces above all—finds it difficult to identify with this Western option, if anyone has been drawn into a relationship of dependence on people connected with the Warsaw Pact and feels ill at ease in the new situation, then I will give them seven days to state that they wish to resign. This can be done in person or by handing me a resignation in writing. Regarding those who act before the deadline, I will make a special effort to ensure that no steps will be taken against them, irrespective of how deep their involvement was. I will demand complete loyalty from those who remain after that date.

Believing that national security can only be ensured though international cooperation, I have held many meetings with diplomats and military delegations. Regarding our neighbors, talks have already been held with the Ukraine and with Russia. I will be in Czechoslovakia in a few days' time. The FRG defense minister will visit Warsaw in a few weeks' time. Two Western countries are ready to help us in transforming our defense system.

This cooperation will represent an important task for our General Staff, which will no longer be an executive organ, as was the case until now, but an organ that will formulate concepts.

A start has been made, we are producing a new concept for Poland's security based on the West, and that decision is of historic significance. A concept for training our officers in the West has also been prepared.

I consider the productive talks that we have had on the purchase of weapons and cooperation between general staffs to be a success for my first few weeks in office. These decisions should provide all officers with much food for thought. Cooperation with the West means that there are new tasks for every soldier, from the General Staff to the squad commander.

This approach to Army affairs and national defense in a broad sense explains why I have not signed the existing plans for the restructuring of the Armed Forces. The reorganization of the defense system must stem from the distribution of defense tasks between Poland and the NATO countries. Both the plans that I have referred to do not take account of this and that is why they have to be drawn up anew.

We are responsible for integrating Poland into the Western defense system. We have to prepare Poland's entry into the system with regard to concrete military measures. It will not be a one-shot act. Declaration signing ceremonies might be what is considered important by the average citizen of the Republic of Poland, but what matters most to us is the hard day-to-day job of implementing a new formula for Poland's security based on military relations with Western partners. I trust ordinary soldiers and line officers, even if they were directly involved in martial law operations, because they did not make the decision to impose martial law and are not responsible for it.

The responsibility rests with those who exploited military discipline and the military's hierarchical structure for political ends. If men in military uniform took part in making political decisions, then that was a violation of the military's vocation. A handful of people were involved. The orders issued by the group and their political actions cannot be something that is held against all Polish officers and soldiers. There can be no collective guilt. In the military, responsibility is held by concrete persons, by those in the highest positions who issue the orders.

The Army as a whole does not bear responsibility for the decision to impose martial law. The above statement does not alter my assessment of martial law or my recognition of the sacrifices made by society and the suffering that it experienced at that time. I want the members of the Ministry of National Defense Military Council to know that I am not interested in your private views. I remind you that whoever decides to stay on after the seven-day deadline assumes an obligation. Poland is not only a weak state and a tired society: A political struggle in also still in progress and perhaps not only a political one, a struggle about the form that our fatherland will assume and about its place in Europe.

The Army is a bastion in which communist ties manifested themselves in the past and sometimes still do. It has become my task to change the current state of affairs. The changes will give the Army credibility regarding the new situation in Poland and in Europe. I do not intend to persecute anyone or to judge them for what happened in the past, but I will not tolerate disloyalty toward the republic. I have a right and a duty to assume complete authority in this ministry. That was the will of the Sejm majority that appointed this government.

Personnel decisions are not about revenge, but about taking over power from the side that lost. For me, the main criteria in making personnel decisions are patriotism, professional skills, current performance and Army needs. The Army bears a certain burden stemming from the past. However, it is not the communist past that matters in this respect, but communist links.

If the old communist structures issue me with a challenge, I will take it up. I will not back down from a program of building Poland's security on cooperation the West, and no one should have any illusions about that. I do not expect any declarations or expressions of support from anyone in this regard. I am simply informing you that I am prepared for resistance. Each of you should think about your attitude toward the republic and consider how the Army can be strengthened, because that will strengthen the state, our state, and you should consider what you can do to make Poland, although it is poor, secure.

Jaruzelski Says Socialism Will Return

LD0602200492 Prague CSTK in English 1221 GMT 6 Feb 92

[Text] Warsaw Feb 6 (CSTK correspondent)—"Poland learned from the events in Hungary and Czechoslovakia in 1956 and 1968, and so in 1981 it chose a lesser evil", former Polish President General Wojciech Jaruzelski told CSTK in an interview. As Communist Party head Jaruzelski declared in December 1981 a state of emergency and marshal law in a crackdown on trade union activity. Eight years later he was the first head of state of a communist-bloc country to relinquish power to opposition forces. "Poland's problems in 1981 must be looked at from a broader point of view", Jaruzelski said. "Every society is inclined to look for blame mainly abroad, but in 1981 we Poles ourselves created a situation which could have led to intervention from the outside. The (governing) powers and solidarity were not ready for compromise—it was the fault of both sides". On February 1 Poland's parliament officially declared illegal the 1981 introduction of a state of emergency. Jaruzelski was not permitted to explain before parliament his motives for issuing the decree.

"The past has not become a closed chapter, and instead of following the example of Spain, debolshevisation and witchhunts have begun", he complained. "In Czechoslovakia the "velvet revolution" fell as if from the sky, but in Poland the process was an evolutionary one, begun much earlier. After all, there were no political prisoners in Poland in 1986. Poland became a positive example to other countries and an impulse for Soviet perestroika. There are also other examples—Spain, Chile, Nicaragua, El Salvador and even Cambodia. So I am very disillusioned that in Czechoslovakia, Hungary and Poland other ways of debolshevisation are being used. Is this in the interest of the future?"

The last Polish Communist president remains faithful to his ideals, held despite his aristrocratic origins, anti-Soviet upbringing, education in a catholic school and exile in Siberia. "I am far from considering socialism just

a groundless quirk of history", he said. "Its ideas are rooted in human needs and it will return in some form. Some kind of socialism, maybe in the Swedish style, or "third path", will revive. The pendulum, which has been knocked to the right, will swing back".

Former Soviet Army Convoy Heading North

LD0602235692 Warsaw PAP in English 2204 GMT 6 Feb 92

[Text] Warsaw, Feb. 6—A military convoy of several dozen or so trucks of the former Northern Group of Troops of the Soviet Army which left the town of Swietoszow, the southern province of Jelenia Gora on Wednesday, was escorted by Polish police all day on Thursday. The convoy's final destination is the town of Borne-Sulinowo, Koszalin Province in the north. According to police the convoy covered the distance without any difficulties. At the same time police from Poland's Western provinces cautioned all drivers that similar convoys will take place in the next few days.

Latvia Willing To Begin Military Cooperation

LD0602194292 Warsaw PAP in English 1604 GMT 6 Feb 92

[Text] Warsaw, Feb 6—Latvian National Defence Minister Talavs Jundzis voiced willingness to refer to the tradition of Polish-Latvian military cooperation during the inter-war period at a meeting with Polish National Defence Minister Jan Parys Thursday, press spokesman for the National Defence Ministry Lieut.- Col. Ryszard Jakubczyk said. This is the first visit to Poland by military delegation from Baltic states after they regained independence.

The spokesman said Poland wanted to develop military and economic cooperation with Latvia and that Latvians took interest in training career soldiers of the Armed Forces, the functioning of the system of supplies of equipment for the Army as well as of border guards. The spokesman added that Latvians would also like to benefit from Poland's experiences in talks on the withdrawal of Soviet troops from Poland, as such talks already began in Latvia. The Latvian guest Thursday also called on Secretary of State for National Security at the President's Chancellery Jerzy Milewski.

An official communique says that both sides agreed that "respective institutions of Poland and Latvia would continue contacts in security and defences." Both defence ministers "exchanged reports on the situation in Central and Eastern Europe, political tendencies prevailing there and allied options shaping there." They discussed also the withdrawal of Soviet troops from Poland and Latvia. The Latvian delegation will stay in Poland till Saturday February 8.

Skubiszewski Discusses Relations With CSFR

AU0602182392 Prague RESPEKT in Czech No. 5 3-9 Feb 92 pp 12-13

[Interview with Foreign Minister Krzysztof Skubiszewski by Petr Janyska; place and date not given: "We Have To Keep Together"]

[Text] [Janyska] Mr. Minister, are there any contentious issues in current Polish-Czechoslovak relations?

[Skubiszewski] Relations between our countries are good; I would even say they are very good. Naturally, there are—and will be—issues that have to be resolved; this cannot be prevented between neighbors.

First and foremost, we have to improve the environment along our long border. We should sign a general but, at the same time, quite detailed treaty on its protection. At the moment, we have nothing like this. Poland has made various suggestions; Czechoslovakia agrees that this is an important matter, but still there is no treaty.

It is also necessary to improve youth exchange projects. There are all sorts of mutual prejudices among Poles, Czechs, and Slovaks. The younger generation is not yet burdened by them and, therefore, I would be glad if they could meet each other as much as possible.

It would also be good to establish a mixed Polish-Czechoslovak commission to look into our common history. We have excellent experiences with Germany in this regard.

[Janyska] Do you think that Poland, Hungary, and Czechoslovakia (the Central European Troika, as it has begun to be called) should ostensibly pursue a common course of action in foreign policy and perhaps in defense? Or, should each country pursue an independent line and not pay too much heed to its neighbors?

[Skubiszewski] The only possible method is a common course of action. I think it is very important for our countries to harmonize their foreign and economic policies. All three of us need this, as it strengthens our position in the world and in Europe.

Let me be specific: A conference was held in Washington last week to discuss aid for the former Soviet republics. We presented ourselves exclusively as the Troika. Minister Dienstbier was the first to speak. This was appropriate, because Czechoslovakia has long been proposing interesting schemes for our countries' participation in helping the East, projects that should be financed by western credits. Minister Dienstbier declared that he was speaking not only on behalf of his own country, but also on behalf of Hungary and Poland. We had agreed on this the previous evening. Later, when Minister Jeszensky and I spoke, it was also on behalf of the three of us. As the Americans emphasized, in particular, this made a considerable impression at the conference. No other

states acted this way. Of course, the European Community spoke as a whole, but this is an already established organization.

[Janyska] Some Czechoslovak politicians are convinced of the necessity to pursue a common policy, while others are of the opinion that our entry into the European Community will be faster if we do not bind ourselves to Poland and Hungary. Is there also such a feeling in Poland?

[Skubiszewski] I reject this view. I do not think it is correct. There is not one shred of evidence that cooperation with neighboring countries, for instance between the CSFR and Poland within the Troika or the Hexagonale, would slow down yours or our country's steps toward the West.

As far as Poland is concerned, you will not come across the view you are talking about in our country. We are firmly convinced of the advantages of cooperation with Hungary and Czechoslovakia. For example, our constant mutual exchange of information and harmonized course of action was useful in our negotiations with the EC. We formed a united front regarding the Community, and this had greater weight than if we had just been individual countries.

At the same time, the association agreements took the specific features of each of us into consideration. For instance, Czechoslovakia was given better conditions than us, as far as the car industry is concerned. This is fine, because this branch of industry has a different tradition and different importance in your country than in Poland. On the other hand, we fared better in finance since we are further along in financial reform. We began our currency's internal convertibility earlier and more radically. However, there was no rivalry between us in gaining such distinctions.

More Attention to the State Sector

[Janyska] Some Czechoslovak financial circles severely criticized the fact that part of Poland's foreign debt was written off.

[Skubiszewski] This is something for which we strived very hard. Our argument was that Egypt's debt had been reduced earlier. Of course, creditors are against the spread of such practices; however, reducing our debt did not do anyone any harm.

Moreover, it took place in two stages. The Paris Club made the general decision on reducing our debt, and now bilateral negotiations are taking place between Poland and each of its creditor countries on the specific form of reducing the debt.

The United States granted us a substantial reduction, but France played a very important role. We were indebted to it far more than to America. Paris not only wrote off half our debt, it also reduced it by a further 10 percent. This will help us with our ecological program.

[Janyska] Some Czechoslovak politicians often refer to Poland as a frightening example that Czechoslovakia should not follow. What do you think of this opinion?

[Skubiszewski] It arouses considerable doubts in me. Such opinions are far too general. It is difficult to say which country expects more obstacles on the road to reform.

We had substantial successes, but today we are grappling with great difficulties. For example, in 1990 we succeeded in eliminating our budget deficit, but another one soon appeared. Today we have to considerably curb various expenditures, including social expenditures. This causes alarm. We are experiencing an economic slump, but the recession is also affecting your country and Hungary. This is a disease affecting all countries of the post- communist era.

We have also made mistakes. We should have paid more attention to the state sector. After all, this represents 80 percent of production in industry and the decline in this sector has dramatically affected the entire economy. A consequence of this, among other things, is a considerable reduction in the amount of revenue flowing into the state coffers. Privatization has also proceeded far too slowly in our country. However, could it proceed at all faster anywhere? Although it is accelerating, it will take a long time before this is reflected in the revenue flowing into the state budget.

Poland Does Not Export Heavy Weapons

[Janyska] There are still more than 40,000 former Soviet troops in Poland. Is there any prospect that they will leave within the date agreed upon?

[Skubiszewski] We have a treaty on their withdrawal, including dates. It has been initialed, but it still has to be signed. It was initialed by the USSR, but Russia has taken it over. There is no problem about this. Russia has declared that it is assuming control over the army based abroad.

According to the treaty, all combat units should withdraw by 15 November 1992. The troops who remain behind in order to hand over the military facilities (there are many of them) to the Polish authorities and to make arrangements for the army's transfer from Germany to Russia will begin to withdraw next year.

[Janyska] During your last visit to Prague, you told RESPEKT that this transfer was proceeding normally. What is the situation today?

[Skubiszewski] I had a routine transfer in mind, as was always the case between Germany and the former USSR. However, as far as the transfer in the sense of the troop withdrawal from Germany is concerned, the Soviets have made little use of Poland's railroads so far. We can accept 20 trains per day, but they are sending two or three. A certain number of troops have been transported by sea and air but more will now probably make use of

our railroads. Absolutely no troops will be transported by road. I told Minister Dienstbier that you may utilize our experiences in the event that troops are transported across Czechoslovakia. However, you are apparently not giving much thought to this, or just a little.

[Janyska] Does Poland export heavy weapons?

[Skubiszewski] We are not exporting anything of the kind now; therefore, our arms industry is going through a crisis. The manufacturers would love to sell; however, they must have permission from the government and, consequently, from my ministry. This frustrates them in a certain sense. Therefore, they criticize me. Apparently, we will pay for this financially. We used to sell tanks to Syria and Iraq, but all this has stopped. We are adhering to the Security Council resolution concerning Iraq and the other international agreements that stipulate the countries to which weapons should not be exported.

The fact is, everyone is trading in arms. Of course, it all depends on to where the arms are exported. There are various categories of states and various categories of danger. We are interested in arms exports, but they have to be in harmony with international agreements. Countries that support terrorism must be avoided.

Investment Independence

[Janyska] What is your view of Germany? There are states in Europe that fear this strong unified country beginning to implement its own foreign policy, a foreign policy that does not always tally with European Community policy.

[Skubiszewski] Germany is firmly rooted in various European and transatlantic organizations. Therefore, I do not think it will be able to abandon its interest in European policy. I do not share these kind of anxieties.

Poland and Czechoslovakia, as Berlin's neighbors, are well aware of the increase in Germany's power and in Germany's interest in the East, especially Russia. Of course, Poland has had bad experiences in the past with German-Russian cooperation.

However, I am not carrying these experiences into today. We now have all the prerequisites to ensure that there is cooperation among Germany, Russia, and ourselves in various spheres. The divisions of the past are not evident today.

Germany is an economic power, but Czechoslovakia and Poland should create conditions for investment from various sources. German investments are natural in our countries. We are neighbors. The Germans are investing a great deal in our country; however, these investments are mainly from small or medium-sized companies and are mostly oriented toward trade. We have German, French, and American investors in industry. I am not afraid of German domination.

I often hear that our relations with European institutions should be implemented via Germany. This is not true. I do not deny that Berlin plays a large role in our hope of one day becoming a member of the EC. However, France also plays a large role. It has a very significant say in the EC. There are also other states here; we cannot rely on only one.

[Janyska] Does Poland have a strategy regarding foreign investors or is the field completely open and everyone who comes is welcome?

[Skubiszewski] The field is open, but we are endeavoring to ensure that investors from various countries come to us. Therefore, we are interested in the Japanese; there are very few of them in our country at the moment.

[Janyska] You mentioned the significant role played by France in the EC. Do you think this country is inclined toward Central Europe's acceptance into the EC, or is it endeavoring to slow down this process?

[Skubiszewski] France brought up the meat issue during the final stage of our negotiations on association with the EC. However, it was clear from the beginning that meat would not be an obstacle to such an important decision. When we take everything into consideration, France helped us. It supports the entry of our three countries into the Community.

However, it is important for us to prepare for this ourselves. In order to qualify for entry into the EC, we have to restructure our entire economies. Who is first, whether it is Hungary, Czechoslovakia, or Poland, is not at all important. After all, this is not the Olympics, and we are not in a race against each other.

Iliescu Remarks at News Conference Reported

AU0602153992 Bucharest ROMPRES in English 1439 GMT 6 Feb 92

["President Iliescu's News Conference—From Answers to Questions"—ROMPRES headline]

[Text] Bucharest, ROMPRES, 6/2/1992—Davos: Interest was shown in knowing and appraising political and economic processes in Romania, in its strategic place as a connection point between Europe and the Near East, and in its role in the Black Sea and the Danube-Rhine projects.

—Zonal economic structures:

The dissolution of CMEA created a disbalance and became a source of great difficulties besides the processes of crisis in the East European countries. All these countries want to integrate in the European community but this process is difficult. That is why Romania tries, on the one hand, to maintain economic relations in its vicinity, and on the other hand to open itself to the flow of foreign capital from other countries, a process which, over the past two years, marked a positive dynamics.

—Foreign capital:

Romania pays tribute to a primitive, autarchic outlook promoted by Ceausescu in the past twenty years that Romania should produce everything which led to a totally irrational structure of industry. To create a new structure based on different priorities means to integrate in the world economy, to develop various forms of cooperation with renowned foreign firms.

—Romania and the former Soviet empire:

The much criticized Romanian-Soviet treaty contained before the dismantlement of the Soviet Union elements that heralded the changes that subsequently occurred in Europe and in the two countries, including a promotion of direct relations with the component republics of the union. Contacts were initiated to develop relations with Russia and Ukraine while with Moldova there was a tangible programme of connecting the two states on an economic, political, cultural, human and other planes. Romania is interested in maintaining its traditional sources of energy and economic relations, in the new conditions of a market economy included, with Russia, Ukraine and other neighbour countries. The Romanian industry needs some time to get into more demanding markets while here in this space there are the traditional markets where it did well.

The statement of Romania's Parliament on the referendum in Ukraine was not suitable at that time. It had been taken as a sign of unfriendliness and it interrupted the visit, imminent at that time, of the Ukrainian foreign minister to Bucharest. We do not need tense relations with our neighbors. The national interest is to promote good relations with all neighbors, including those with which the country has problems. A realistic, political approach of these problems means to create a platform of understanding.

During the talks in Davos with President Kravchuk, joint interest was shown in maintaining good neighborhood ties between the two countries and in using, in a climate of detente, what can be mutually advantageous on an economic and other planes, while problems should be politically approached and solved in time.

The decision was made that the delicate moments of divergent interests in territorial matters be overcome and normal ties, diplomatic ones included, be established to create a framework for permanent dialogue, while the controversial problems should be an object of negotiations and not a source of tension.

—The Republic of Moldova:

The unification of the two states in future is a process that should be backed de facto and not promoted through noisy slogans. What Romania does on a state line in this respect is fundamental. Romania seeks to support Moldova by all means but it cannot resort to irresponsible measures.

Romania cannot do now what West Germany did with East Germany. Though it is the biggest economic power, it can hardly bear such a burden.

During the talks with President Snegur it was established that direct links should continue to create a permanence, more particularly at a government level, for growing economic cooperation.

—Yugoslavia:

The majority Romanians' opinion in favor of Yugoslavia is a sign of goodwill toward the peoples of that country with which Romania has good traditional relations, and expresses the general feeling that the maintenance of Yugoslavia's statal structures would have been a good thing. Yet, processes are inevitable and one should take account of realities. Romania has taken a rational stance—that of considering the Yugoslav peoples' option for self-determination and taking an open and friendly attitude toward all the component republics. Joining the general context in approaching the new realities in Yugoslavia is a realistic position of Romania.

—Elections:

During last autumn's talks with the parties, it was covenanted that general elections should take place three months or so after the local elections. The bill regarding parliamentary elections and that regarding presidential elections were forwarded to the parliament that is to say its opinion on them and also to set the date for elections. Most opinions tend to be for a coincidence of the two elections. To make a fourth ballot would be too much in a year that has already been dominated by election campaigns which disturb an approach to specific problems.

The president preferred not to disclose, for the time being, his intentions for the future presidential elections.

Government Officials Comment on Elections

AU0602175392 Bucharest ROMPRES in English 1634 GMT 6 Feb 92

[Text] Bucharest ROMPRES, 6/2/1992—In the weekly news briefing at the government headquarters, Iolanda Staniloiu informed that the executive debated a bill on the sinking of the fixed funds and endorsed a decision regarding the possibility that the higher learning establishments should organize scientific research departments. In consideration of the fact that after January 1, 1992 the prices established by some economic agents with state capital for meat and dairy products rose in an unjustified manner in relation to the influences of the manufacturing costs, the government also endorsed a resolution meant to avert monopoly prices and profiteering. The normative act stipulates that until demand and offer are balanced, the wholesale prices with meat, meat preparations and staple dairy products subsidised from the state budget should be established through negotiations between suppliers and end-users, under the control of the Ministry of Economy and Finance, the Ministry of Commerce and Tourism. The government also endorsed a bill to approve the rise in Romania's contribution to the International Monetary Fund and the changing of the IMF statute.

Doru Viorel Ursu, secretary of state, the Local Administration Department, presented an account on the preparations for and problems posed by the organization of the local elections, showing that there were difficulties, including the reprinting of the ballots, as a result of the expiry of the deadlines for the nominations and appeals to be filed with the judges for the consideration of the objections.

It was reported that actions were being taken for the settlement of all issues, so that the participation in the elections should be ensured of all legally entitled candidates. The speaker stressed that another issue the Central Electoral Commission had to cope with was the unitary and fair interpretation in the territory of the electoral law. He showed that for the monitoring of the elections, over 60 foreign observers and numerous non-government institutions expressed their wish to attend. He ruled out the possibility that the elections be forged through computer at the Central Electoral Commission, showing that the constituency electoral commission shall draw up reports. Also, he quoted the statement of the minister of defence, Nicolae Spiroiu, according to whom the voting in the military units would be free and would be not influenced by "recommendations." The local elections will be an experience both for the general elections and for a possible improvement of the electoral law, Viorel Ursu said.

Trade Unions Condemn Negative Media Campaign

AU0602185292 Bucharest REALITATEA ROMANEASCA in Romanian 4 Feb 92 p 1,

["Clarifications by the Three Big Trade Unions"]

[Text] In connection with the articles published in some dailies during the past few days, which testify to a clear intention to launch a genuine anti-trade union campaign, we want to state the following:

1. Democracy without trade unions is inconceivable in a state of law. Unfortunately, our news media have unjustifiably presented a predominantly negative image of the Romanian trade union movement. The truth is that we promote a pro-labor policy protecting wage rights and trade union freedoms, social protection, and social democratic structures, particularly through negotiations. We note that an important contribution to distorting the image and intentions of our trade unions has been made by political and trade union rejects, some of them with sonorous names, whose desire for publicity is fed by the mass media.

2. Our intention to use, should negotiations fail, other means to achieve our objectives, was incorrectly interpreted. We have not proposed, programmed, or appealed for a general strike or any other national action before the 9 February elections in order to influence or interfere with the elections...

Moreover, we have a "prefabricated" document by the false "trade union opposition," whereby we demand the "adherence" of trade union members to "launching a general labor conflict" should our negotiations within the joint government-trade union commission fail. We want to specify that we are not members of this commission, but we observe the laws regarding the development of collective labor conflicts and the use of trade union negotiating mechanisms.

3. Our consultations and negotiations took place in succession and continue at two levels: With the government to establish minimum wages, and with the legal representatives of the employers' association, who are appointed in accordance with the laws of the Chamber of Commerce and Industry of Romania on the conclusion of the national collective labor contract.

Negotiations have been particularly tough, but this has not made us adopt an inflexible or obstructionist position. Our perseverance is based on the solidarity of our arguments, especially those of economic and social natures. Unfortunately, the consultations with the government have not yet been concluded. Moreover, although no agreement has been reached so far, the government has adopted Decision 21/1992, one reason why the National Consultative Council confederation members will meet during the second week in February. A provocation was launched on 6 February, as usual, by the flunkies of those in power. As far as negotiations with the representatives of the employers' association are

concerned, the first contract form has been finalized, which is designed to constitute a legal framework for future labor relations. Negotiation of clauses on wage and other rights of an economic nature remains to be completed.

We hope that people will not be influenced by false reports and slanderous commentaries from various newspapers, but understand correctly the role of trade unions in developing democracy in our country and in economic and social restoration.

[Signed] Miron Mitrea, "Fratia" Independent Trade Union Confederation;

Victor Ciorbea, Free Trade Union National Confederation of Romania;

Bogdan Hossu, "Alfa Cartel" National Trade Union Confederation

Stolojan Meets Foreign Election Observers

AU0602205992 Bucharest ROMPRES in English 2008 GMT 6 Feb 92

[Text] Bucharest ROMPRES, 6/2/1992—Romanian Prime Minister Theodor Stolojan met on February 6 with a delegation of foreign observers come to Romania from 15 countries to monitor local elections on February 9.

The Romanian Prime Minister stressed on the occasion that one of the main political goals of his cabinet was to organize free and fair local and general elections. The government did its best to ensure this character of the elections, the steps taken being subordinated to this purpose. Now, on the eve of the elections, he said, one can say that in broad lines the government has done its duty.

Premier Stolojan hoped that the elections would be a fine opportunity to see that Romania has firmly embarked on the road to democracy.

The guests thanked for the opportunity to meet with the Prime Minister and with other experts directly participating in the preparation and holding of the elections. They pointed out that the road to democracy was a difficult and long one and that its beginning was the securing of free and fair elections. Also, the fact was stressed that the presence of observers at these elections could give the most telling evidence that Romania resolutely goes toward democracy.

The Prime Minister then answered the delegation's questions.

The interview was also attended by numerous Romanian and foreign journalists, as well as by diplomatic representatives of the British and U.S. Embassies in Bucharest.

PUNR President on Party, Election Issues

AU0502163692 Bucharest CURIERUL NATIONAL in Romanian 30 Jan 92 pp 1, 4

[Interview with Radu Ceontea, president of the Romanian National Unity Party, by Paul Dobrescu; place and date not given: "We Are the Bearer"]

[Text] [Dobrescu] According to opinion polls, your party has experienced most spectacular growth. The number of those who joined it or support it has increased threefold since the elections in May 1990. How has the party you are leading developed in the past few months?

[Ceontea] There are polls and polls. Prudence makes me interpret some of them the way I interpret naive horoscopes in some of our papers. Based on standard opinion poll patterns, a party's popularity, or lack of it, is more likely determined by people's normal reaction of self-protection. Were a party to announce its intention to reduce the working week to four days, I am sure its popularity would grow. If the Romanian National Unity Party [PUNR] fought for a six-day working week, I am sure its popularity would fall. I view opinion polls as a society game.

As far as the popularity of PUNR is concerned, I have nothing to hold against our supporters who have become acquainted with us above all because of our arguments within the parliament. I think that the popularity of PUNR is stagnant at this time. I hope that—especially during the elections—we will gain the place in parliament that befits a party like ours. I hope this, because now I realize more than I did at the beginning of our parliamentary activity how necessary our presence in the country's legislative forum is. We have been, and continue to be, the bearers of national hope, the fulfillment of which has constantly been put off.

[Dobrescu] What is the explanation for this stagnation?

[Ceontea] I think that one explanation is the lack of a press apparatus, which we are not yet able to finance and which we hesitate to bring out, because press competition is very great at this point. Second, our people are oversaturated with politics; therefore, those who—as future voters—understand the inevitability of the phenomenon of politics, continue to have their opinions, while others amuse themselves or despise ideas or people. It is very unpleasant for me to hear someone in Bucharest shout after me: "Hey, look at that parliamentarian!"—especially since I know that I have done nothing wrong to anyone and that, although I was unable to do a lot of good, I still did one thing, namely help.

[Dobrescu] More political formations have also emerged since the elections, thus stressing the national aspect of politics. What are your relations with them?

[Ceontea] Whether we like it or not, politics also means business. Unfortunately, sometimes politics turns into trade. In its grotesque form, this trade turns into grocery

trade. Given the numerous parties in our country, naturally the national political body creates means of protection. Thus, a kind of showy bravery and nationalism have emerged along with the increasing number of parties. A show is also made of social democracy and social protection.

There is also a kind of party for all political convictions, which resembles an Egyptian vulture: They play a "sanitary" role and attract parts of the electorate fond of vulgar talk, activists who forget that political struggle is a struggle of ideas and not a physical one or a struggle to settle accounts between people.

[Dobrescu] What are your current relations with Vatra Romaneasca, from which you separated and became an independent political party?

[Ceontea] They are like relations between "mother" and "son." Only the "son" has grown now, he has become a man and the "mother" pins greater hopes on him, because his exactingness is constantly increasing.

[Dobrescu] Your party was born in Transylvania. It has gone beyond the borders of that historic area; what is its current representation throughout the country?

[Ceontea] We are represented in all our country's counties. We have very strong organizations in 34 counties. In the rest of the counties, mainly in the south of the country, we just have initiative groups.

[Dobrescu] What does PUNR think of the current election campaign?

[Ceontea] I assume the responsibility of declaring that although we are free to voice our opinion, the electoral campaign is, first and foremost, innocuous. Even though it was forced, during communism there was an electoral atmosphere. Now, not even big parties have printed any posters. Why? The National Salvation Front is sure of the lion's share and is not printing any posters. Why make the effort? The Democratic Union of Hungarians in Romania, the second party, is sure that Hungarians will vote for Hungarians and no longer wastes money. Has the "key" already gotten the matching lock? Good for television; it did not even have to mix the fiction of Caragiale's [Romanian playwright] plays with the painful realities of today. I am glad that the election campaign is ending, because I feel sorry for some of the editors who are slowly deteriorating professionally....

Roman on Need for Union With Moldova, Bessarabia

AU0602185592 Bucharest AZI in Romanian 1 Feb 92 p 3

[Mihai Cristian Munteanu report on news conference by Petre Roman, national leader of the National Salvation Front, on 29 January in Bucharest]

[Text] Two topics were suggested to reporters attending the news conference held last Wednesday [29 January] afternoon at the National Salvation Front [FSN] headquarters. Obviously, the questions did not confine themselves to these two issues (the FSN standpoint on the union and the complex problems of the local elections), since the press dodged these issues and pursued others. Considering that the echoes of the 24 January meeting [on the anniversary of Moldova's union with Wallachia]—when officials of many Romanian and Bessarabian political forces gathered in Iasi for the National Convention for the Unification of the Country—have not faded out altogether, we will confine ourselves in this issue to the opinions expressed by FSN leader Petre Roman on the position of his group concerning unification, something Romanians have always pursued.

Asked to comment on the statements by Presidents Ion Iliescu and Mircea Snegur at their recent meeting in Ungheni, Roman answered: "As long as Bessarabia belonged to the former Soviet empire, the goal of ensuring its independence was justified. Once that goal was recognized as legitimate, the Moldovans beyond the Prut may now express their desire, which is undoubtedly unanimous, to support the country's unification and completion. The union will not happen by itself. In our opinion, any hopeful yet passive attitude is wrong and unwelcome, because things cannot be left to chance. Chance is of no use now or in any other historical situation. The reunification must be prepared for and we must be able to prove that it is a natural thing, something eventually serving Romania's overall well-being and development because of our national and cultural identity.

Concerning the problem of the territories taken away by the Soviet Union and given to the Ukraine, Roman said: "This question was dealt with in greater detail, as was only natural, on other occasions. There is no doubt that the Bukovina people are the ones most entitled to raise this question, due to their great proximity and closeness to the Romanians beyond our current borders. Our opinion is that the current situation cannot be considered final, not because of the territorial issue—where we maintain that any possible evolution, as in the case of Bessarabia, should take place peacefully—but just because it simply cannot be considered definitive. As Romanians, it is hard to imagine that we can ever believe that Cernauti [Chernovtsy], which at one time between the wars was our second greatest cultural center, or that Cetatea Hotinului and Cetatea Alba, which are full of history, do not belong to us. There is some distance to go until we find a way to return to our natural borders, via an accord guaranteeing these frontiers which the international community and the great powers will not contest. We should not forget that our current borders derive from a peace treaty."

Asked whether there is real support for anti-Romania sentiment in Bessarabia, Roman said: "I am sure there is no real support for that. There is a certain concerted effort—actually, it has always been there, particularly when Moldova was part of the Soviet empire—to present the Romanian reality in a bad light, particularly in the

villages. They resorted to horrible lies, which I do not want to mention now since I think they should vanish forever. There is no real support for sentiment against Romania; only a subjective kind of support with concrete designs. This sentiment is beginning to disappear, however, because—aside from the elements of national and cultural identity which no one doubts any more—there is the reality of Romania's existence alongside Moldova and the fact that Bessarabia would have much better chances of economic survival within Romania than in its current status. I am surprised to notice that there is still talk about the Commonwealth of Independent States, which, as a matter of fact, no one can properly define."

Roman was asked about a possible referendum in Bessarabia. "What kind of referendum? On the question 'Do you want union with Romania or not?' I would like to ask you: If you had a brother or sister and somebody asked him or her whether he or she still wanted to be your brother or sister, what might the answer be? Could one answer 'no?' Therefore, there can be no objective support for a referendum along these lines. It is absolutely necessary to promote the democratic process, but it can only develop on true grounds of historical and national objectivity. This is absolutely certain. Consequently, I welcome the conclusions we reached at the Convention of the National Unification Council, which I consider to be quite realistic and in keeping with our potential, which I think of in terms of the short run, rather than the long one. The Romanians beyond the Prut should know the Romanian situation. The Sovietization and denationalization processes were extremely powerful in many respects, but the most serious element was the massive dislocation of people, which still has consequences for the population over there. Therefore, we believe that this reunification is possible and it is our duty to prove that we can accomplish it and how."

Addresses FSN Electoral Meeting 6 Feb

AU0702092892 Bucharest ROMPRES in English 0835 GMT 7 Feb 92

[Text] Bucharest, ROMPRES 7/2/1992—The National Salvation Front [FSN] held an electoral meeting in Bucharest, on February 6 afternoon, with the participation of its leader Petre Roman and of other members of the leadership—Eugen Dijmarescu, Adrian Severin, Ion Aurel Stoica, George Stancof. Attending was also Cazimir Ionescu, the FSN candidate for the office of Bucharest mayor-general.

Petre Roman made an opening address stressing that the Front was and remained the political formation with people apt to make changes in Romania, as "we thought out a reform on the very first hours of the revolution." Cazimir Ionescu presented his future plans as would be mayor-general and rejected the accusations leveled at FSN representatives during the election campaign.

A "final tournament" of the candidates to the office of Bucharest city mayor-general, was organized the same day by the daily LIBERTATEA at the Hotel Bucuresti in the capital. The get-together, organized in form of a news conference, was attended by the candidates who ranked on the first five places in the standings that resulted from the opinion poll taken by LIBERTATEA: Cazimir Ionescu (FSN), Crin Halaicu (the Democratic Convention), Calin Tariceanu (Young Liberals), Constantin Hotulete (FSN-Social-Democratic) and Radu Theodoru (Romania Mare Party). Guest of honour was the current Mayor-General Doru Pana. The five candidates answered journalists' questions for three hours, referring to their programs as would-be mayor-general of the capital.

Poll: Halaicu Leading in Bucharest Mayor Election

AU0602194192 Bucharest ROMPRES in English 1816 GMT 6 Feb 92

[Text] Bucharest ROMPRES, 6/2/1992—An opinion poll made on February 4 and 5 by "IRSOP" Opinion-Research Institute, at the request of the daily "LIBERTATEA" and the "Mediapro" company says that the candidate of the Democratic Alliance to the post of Bucharest mayor-general, Crin Halaicu, will be given the highest number of votes, i.e. 28 per cent. Next come Cazimir Ionescu, representing the National Salvation Front [FSN], with 20 per cent, Calin Popescu Tariceanu, 6 per cent (National Liberal Party-Young Wing), Radu Ioan Theodoru, 4 per cent (Romania Mare Party/Greater Romania Party), Ion I. Bratianu, 3 per cent (Bratianu Liberal Union), Tache Parvulescu, 3 per cent (Ecologists). Fourteen of the 34 candidates will receive under 0,5 per cent, according to the opinion poll.

As for options for the parties participating to the campaign, the opinion poll places the National Salvation Front at the top, with 22 per cent, followed by the National Liberal Party, 12 per cent, Christian-Democratic National Peasant Party, 8 per cent, Civic Alliance Party, 7 per cent, National Liberal Party-Young Wing, 4 per cent, Greater Romania Party, 4 per cent.

The 2,560 people of Bucharest and Ilfov District that formed the opinion poll batch opined that the most important problems of city of Bucharest, that are to be solved by the future mayor-general are salubrity (16 per cent), food catering (11 per cent), housing (11 per cent), order and lawfulness (10 per cent), building repair works (9 per cent).

According to the opinion poll, 82 per cent of the people having the right to vote, will participate in the 9 February local elections. Nine per cent say they will not vote.

"IRSOP" announced a two per cent error margin.

Voting Rules Said To Favor Incumbent Party

AU0702100592 Bucharest ROMANIA LIBERA in Romanian 4 Feb 92 p 3

[Article by Petre Mihai Bacanu: "'Legal' Election Violations"]

[Text] These past 2 years will go down in history as the "National Salvation Front's legislation." The election law was endorsed by the National Salvation Front "machine" in such a way as to favor the ruling party. Sick people in hospitals (about 200,000) may cast their votes only if they can go home. It is known that most sick people come from areas other than the one in which they are hospitalized. Therefore, they will be deprived of their right to express their wish. The problem of the sick people might influence the vote. On the other hand, soldiers in a locality like Simleul Silvaniei, for example, can decide who should be elected to the office of mayor. Soldiers are stationed in a particular locality for only a year. Students who live for 4-6 years in a university center and can participate in the life of the town in question are not allowed to vote there; they are sent to their home towns to vote, although it may be time for their...exams. Thus, soldiers who spend a year of their Army service in barracks will cast their votes, in a column headed by their commander, and will elect a mayor who does not represent the electorate. The mayor will take up an office made available to him by those who will not benefit from his administration. In any event, the participation of soldiers (we do not list their number because it is a state secret!) in the election cannot influence the election, but can cause damage. How can anybody imagine that soldiers in a military unit know who the candidates are? Can a fair election campaign be carried out in military units? No way. What can a soldier from Salaj know about the candidate for the office of mayor in Otopeni? And in what way will the voting soldier have control over the candidate of the community? Such localities get mayors who are elected against the will of their inhabitants.

One can see from the first check of the electoral lists that young people are omitted from the list. Accidentally? It is well known that young people aged 18-30 account for 18 percent of the electorate.

And another dilemma: are the students of the higher military schools considered soldiers or students?

Campaigning for Local Elections Ends 6 Feb

AU0602193992 Bucharest ROMPRES in English 1856 GMT 6 Feb 92

[Text] Bucharest ROMPRES, 6/2/1992—The local election campaign is to come to an end Thursday, 6 February 1992, 48 hours before election day which is Sunday, 9 February. The parliamentary commission for coordination of the election campaign through radio and television is to cease its activities accordingly.

Along the past four weeks over 1,200 candidates to local administration posts have been presented to the viewers by the national television station.

With the 39 foreign observers from the United States, Hungary, Indonesia, Belgium and Bulgaria, accredited Thursday, 6 February, to Romania's local elections, the total number of foreign observers has reached 127. The number of national observers is 5,800 now.

The Central Electoral Commission Office registered the accrediting of 446 journalists, 42 of whom from abroad.

International

Vance Focuses on Babic as Peace 'Obstacle'

LD0602234792 Belgrade TANJUG in English 2247 GMT 6 Feb 92

[Text] United Nations, Feb 6 (TANJUG)—President of the Republic of Serbian Krajina Milan Babic is the only obstacle standing in the way of the United Nations Security Council decision to begin the peace action in Yugoslavia, as UN Secretary General Special Envoy for Yugoslavia Cyrus Vance explicitly said in a talk with correspondents in the UN New York Headquarters today.

Vance informed the journalists that he this morning received a letter from Croatian President Franjo Tudjman, who informed him of his "complete and unconditional acceptance of all conditions for the deployment of peace-keeping forces in Yugoslavia."

Vance maintains that this represents great encouragement for the future of the United Nations' peace process, the aim of which is to deploy 10,000 troops within the framework of the "UNPA" peace mission on the territory of Croatia, where, until recently, fierce battles were fought between the secessionist para-military forces of this republic on the one hand, and the Yugoslav People's Army (JNA) and the Serbian Territorial Defence, on the other.

Explaining the background of the whole case, Vance said that he received a letter from Tudjman two days ago and that this morning's letter ensued after he requested of Tudjman to clarify his stand.

Although the contents of the first letter have not been made public, it has been learned that, in it, Tudjman had set additional conditions for Croatia's final acceptance of the Vance plan and that, before Tudjman wrote the second letter, German Foreign Minister Hans-Dietrich Genscher intervened. Vance qualified Genscher's intervention as extremely useful.

Vance reiterated the UN Secretary General Butros Butros Ghali's opinion expressed in the report he submitted to the Security Council today, that conditions would not be ripe for beginning the peace mission until all sides agreed to the UN conditions. He also reiterated the UN stand that the UN peace-keeping mission had the task of securing peaceful conditions for political negotiations within the Conference on Yugoslavia, at which agreement on the political resolution of the Yugoslav crisis is to be reached.

Without diminishing Genscher's and Germany merit in Tudjman's and Croatia's turnabout, Vance also reiterated the assessment that a mistake was made when individual Yugoslav republics were recognized. At a direct question posed by the Slovenian journalists, he said that this was also the assessment of the United States, which was confirmed yesterday by U.S. State Secretary James Baker.

Vance again appealed on all countries which wished the peaceful resolution of the Yugoslav crisis to refrain from all acts which could disrupt the efforts of the United Nations and the European Community and said that this implied all further recognition of any Yugoslav republic.

The European Community recognized the breakaway Yugoslav republics of Croatia and Slovenia on January 15.

Vance maintains that the peace-keeping operation in Yugoslavia could begin two or three weeks after all Yugoslav parties agree to the conditions set by the United Nations, i.e., after a relevant decision of the Security Council.

Vance did not wish to surmise whether the Security Council may reach a decision on a partial deployment of the "Blue Helmets", i.e., that the peace-keeping forces be first deployed on the territories where they are accepted and not in Krajina, the leader of which, Milan Babic, opposes the UN actions. This idea was voiced at today's Security Council consultations.

Vance expressed the opinion that further pressure would be exerted on Babic to accept the plan in Yugoslavia, particularly by the federal government, the army and Serbia. He also said that he was prepared to personally join in such efforts again if the need arose.

At the end, Vance warned that time for attaining peace was running out because of the tense situation in the Yugoslav Republic of Bosnia-Hercegovina. He was nevertheless optimistic regarding the definitive acceptance of all sides to the Yugoslav conflict and the beginning of the peace action in Yugoslavia soon.

Lord Carrington Comments on UN Troop Deployment

LD0602225292 Belgrade TANJUG in English 2022 GMT 6 Feb 92

[Text] Titograd, February 6 (TANJUG)—Chairman of the conference on Yugoslavia Lord Peter Carrington stated the hope in the Montenegrin capital Titograd on Thursday that the difficulties of the U.N. peace operation in Yugoslavia would be overcome.

He told this to a press conference, following talks with Yugoslav Republic of Montenegro Presidency President Momir Bulatovic.

Carrington noted that if and when the U.N. peace forces come to Yugoslavia depended on the stand of Krajina and its leader Milan Babic as well as on the Croatian President Franjo Tudjman.

He specified that if opposition to the arrival of 'Blue Helmets' continued, or, if Tudjman did not accept the terms of Vance's plan, then the peace forces would not be coming soon.

President of the Republic of Serbian Krajina Babic opposed the deployment of 'blue helmets' under the 'ink-blot' principle, as envisaged by Vance's plan and demanded that they be deployed along the line of conflict with Croatia. Babic also believes that the Yugoslav Army should not withdraw from Krajina and the territorial units there disarmed because of the danger of Croatian aggression after the U.N. peace-keeping force left.

After the talks with Bulatovic, Carrington set out that there were no special problems with the stands of Montenegro in connection with the peace conference.

He stressed that the first chapter of the projected peace treaty of the conference on Yugoslavia provides for a possibility as contained in accord between Montenegro and Serbia on a common state, in terms of an alternative for those who so wished.

The chairman of the conference on Yugoslavia described his talks with the leaders of the three nations in the capital of the Yugoslav Republic of Bosnia-Hercegovina in Sarajevo on Thursday as good.

He added that he suggested to these leaders—and this was accepted—that a meeting be held next week which would be chaired by ambassador Jose Cutileiro, the vice-chairman of the peace conference. The meeting, as he noted, would not deal with the referendum on the independence of this republic, but on the type of accord that would be acceptable to all three nations, if Bosnia-Hercegovina became sovereign and independent.

The decision on the referendum in this Yugoslav republic—populated by three constitutent nations - Serbs, Muslims and Croats, was taken by the Muslim-Croat coalition, without the Serbs' consent.

Following the talks on Thursday with Lord Carrington, the Montenegrin Presidency president stated that 'Yugoslavia was moving closer step by step towards a peaceful solution to the crisis. [No closing quotation mark as received]

Proposes Peace Conference

AU0602163492 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 6 Feb 92

[Text] Lord Carrington has had talks in Sarajevo with the leaders of political parties. At the headquarters of the Serbian Democratic Party [SDS] it was said that no one will be able to introduce an independent Bosnia-Hercegovina into the Serbian regions. Ljubomir Nikolic has a report from Sarajevo:

[Begin Nikolic recording] Lord Carrington had talks in Sarajevo with Alija Izetbegovic, Ejup Ganic, Radovan Karadzic, Stjepan Kljujic, Nijaz Durakovic, and Kiro Gligorov. After these talks, Lord Carrington told journalists that he had proposed to his partners in the talks that a special kind of peace conference on Bosnia-Hercegovina be held before the referendum, which they agreed to. It remains to be seen what kind of sovereignty for Bosnia- Hercegovina would satisfy all sides. Such a conference could, with the possible participation of international factors, be held in the middle of next week, Carrington said.

Alija Izetbegovic said, however, that such talks cannot postpone the referendum and that a means should be built into the future republican constitution in order to prevent majoritarianism and rule by one or two nations over a third.

In today's statement by the SDS, it is stressed that Cyrus Vance's plan represents a guarantee for the peaceful solution of the conflict in Croatia and an attempt to use political means to settle the conflict and to achieve a peaceful life for the Serbian nation of the Krajinas in Yugoslavia. At these difficult times, all possibilities of division should be eliminated from the Serbian nation. Harmony is what we need the most now. This is said in the statement by the SDS.

At a regular news conference, Dr. Radovan Karadzic reiterated his party's plan for the settlement of the Bosnia-Hercegovina political crisis. We are in favor of the cantonization of our republic and its confederalization so that it becomes a Balkan Switzerland, Karadzic said.

As regards Alija Izetbegovic's claims that the Serbs had not offered their partners a precise plan for the internal structure of Bosnia-Hercegovina, Radovan Karadzic said that this was untrue and that the stands of the Bosnia-Hercegovina Serbs had been known for a long time and they should be further affirmed in the negotiations between parties. Serbs and Croats do not want a unitarian Bosnia-Hercegovina in which Alija Izetbegovic would be the boss. These two nations will not always be enemies, Karadzic stressed.

He told journalists that a high level of agreement had been reached in today's talks with Lord Carrington and that Carrington himself had stressed the need to hold a conference on Bosnia-Hercegovina.

Speaking about the referendum on the independence of Bosnia-Hercegovina, Dr. Radovan Karadzic reiterated the stand of the SDS and the Serbian nation that there is no one who could introduce an independent State of Bosnia-Hercegovina into the Serbian regions. The referendum does not interest us at all and we see it as a plebiscite among Muslims and Croats, if they vote in it, but we will not create any obstacles for this kind of vote, Karadzic stressed. [end recording]

Meets Serbian Democrat's Karadzic

LD0602130492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1200 GMT 6 Feb 92

[Text] Sarajevo, 6 Feb (TANJUG)—Lord Carrington, chairman of the Conference on Yugoslavia, during his visit to Sarajevo today, also had a meeting with Serbian Democratic Party Chairman Radovan Karadzic of Bosnia-Hercegovina. We have achieved a significant degree of agreement with Lord Carrington, especially on the need for more rapid work on negotiations between the three national communities on the future of Bosnia-Hercegovina, Karadzic told journalists after the talks. The possibility of international mediation in these negotiations has not been ruled out, Karadzic said.

Interrepublic

Croatia, Slovenia Begin Diplomatic Relations

LD0602150892 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 6 Feb 92

[Excerpt] The documents have been signed in the Villa Zagorje on the establishment of full diplomatic relations between the independent republics of Croatia and Slovenia. We are calling our correspondent, Darko Herceg, to tell us briefly about the ceremony:

[Herceg] Good afternoon from the residence of Croatian President Dr Franjo Tudjman, where the state delegation of the Republic of Slovenia, headed by President of the Slovene Presidency Milan Kucan has been visiting today. The delegation is still there at this time.

The Slovene state delegation arrived in Croatia at about 1200, crossing into the territory of Croatia at Bregana, where they were met by Croatian Foreign Minister Zvonimir Separovic, and here at the residence of the republican president a formal state welcome was organized. The national anthems were played and Mr. Kucan and President Tudjman inspected an honor guard of the Croatian Army.

After that talks took place between President Tudjman and President Kucan, and afterwards in the grand hall of Villa Zagorje here in Pantovcak [district] the formal signing took place of two agreements, the agreement on the establishing of diplomatic relations between the Republic of Croatia and the Republic of Slovenia at ambassadorial level, and the agreement on economic and financial cooperation. This agreement on economic and financial cooperation was signed by Premiers Franjo Greguric and Lojze Peterle, while the agreement on the establishment of diplomatic relations was signed by Foreign Ministers Zvonimir Separovic and Dimitrij Rupel.

Following the signing ceremony they addressed those present, the top officials of the governments and assemblies of Croatia and Slovenia, present here in Villa Zagorje in Pantovcak. After this the presidents of Croatia and Slovenia, Franjo Tudjman and Milan Kucan, made short formal speeches to those present, from which I will single out for now the thought that few neighbor states in the world have so few problems between them as do the friendly neighbor states of Slovenia and Croatia, which were the first to begin the process of separation from Yugoslavia, the process of dissociation, and which were the first to be internationally recognized, by more than 40 countries of the world so far, as sovereign states. [passage omitted]

Sava Bridge Opens Between Croatia, Bosnia

LD0602150492 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 6 Feb 92

[Text] Following a 12-hour blockade of the Sava bridge between Slavonski Brod and Bosanski Brod, which is the consequence of a protest meeting of workers from Bosanski Brod who have been dismissed from enterprises in Slavonski Brod, the bridge is open again—only for pedestrians between 0530 [0430 GMT] and 1700. During the day, the newly-formed trade union of unemployed workers and the municipal authorities of Bosanski Brod will try to resolve together the newly-arisen dispute which has further worsened the already critical security and political situation in this part of the Sava area near Brod.

Bosnia-Hercegovina

Barricades on Road Near Mostar Removed

LD0602134192 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 6 Feb 92

[Summary] A few moments ago the barricades at the crossroads near Mostar leading to Siroki Brijeg and Citluk were removed after being in place for almost 50 hours. The Yugoslav Army has accepted all the conditions set by the local people, including mine-clearance work in the area and the withdrawal of reservists. Negotiations are still going on to remove the barricades erected by Serbs near Salakovac on the Mostar-Sarajevo road.

Izetbegovic Republic Policy Criticized

92BA0447D Belgrade BORBA in Serbo-Croatian 28 Jan 92 p 7

[Article by Zeljko Vukovic: "Crossroads in Total Darkness"—first paragraph is BORBA introduction]

[Text] Izetbegovic has made up his mind—an independent B-H [Bosnia-Hercegovina] at any price. Because of this decision, he finds himself at a crossroads from which two paths lead—at the end of the first, the throne of the "greatest Muslim son" awaits him, while at the end of the second is his fate as the "greatest gravedigger of his nation."

Alija Izetbegovic has made up his mind—an independent Bosnia-Hercegovina at any price, despite the opposition of Karadzic's followers and the dubious support of Kljuic's followers. Because of this decision, he finally finds himself at a crossroads from which only two paths lead—at the end of the first, the throne of the "greatest Muslim son" awaits him, while at the end of the second is his fate as the "greatest gravedigger of his nation." It is Izetbegovic's misfortune that this crossroads is in total darkness, and that there are no appropriate signs of light. Voices suggest "hot-cold" to him.... Even if he were to get a majority of "yes" votes in the "citizens" referendum, it would not be a victory. The state power that Izetbegovic has at his disposal and on which he can rely is not enough to establish control within the borders of AVNOJ [Anti-Fascist Council of People's Liberation of Yugoslavia] B-H. If he tries to do so, then a general massacre between Bosnians and Hercegovinans would be inevitable. Indeed, Izetbegovic has already warned that he would sacrifice peace for sovereignty, but that warning was mostly seen as ill-considered psychological pressure on his opponents.

It is hard to believe that the leader of the SDA [Party of Democratic Action] does not realize that people in the Bosnian Krajina and Hercegovinan Serbs cannot remain in an independent B-H state without the use of force. It is not very likely that he does not know that Hercegovinan Croats also "prefer" to live within the borders of "democratic and sunny Croatia." All at the price of war (a defensive one for them in the event that the republic's independence is declared).

Hence the dilemma—why did Izetbegovic decide to opt for international recognition, regardless of the consequences and victims required for this sort of epilogue if it happens? If one accepts that Alija will not want to (or be able to) preserve the current B-H borders as state borders through armed force, then the logical answer that follows is that the intention lurking behind his political strategy is to occupy the best position when B-H is split up. Practically speaking, this is the same position that Slobodan Milosevic wanted to occupy when Yugoslavia fell apart.

Thus, let anyone who wants to leave go, and what remains is B-H. Understandably, there would be more to gain in this situation than at the negotiating table with Karadzic and Kljuic. Without international recognition of B-H, Izetbegovic cannot count on that sort of position (just as Milosevic cannot where Yugoslavia is concerned, until the "rest of Yugoslavia" is recognized as a complete state). With a verified document concerning an independent B-H, the Muslim leader will enjoy greater support in Europe and the world, because he will be the one who benevolently agrees to the shrinkage of his state. Karadzic and Kljuic will be able to secure the borders that they want and imagine only through armed force. It was not in vain that Izetbegovic invested so much effort in persuading others to let the "blue helmets" come to B-H before the fighting begins. It turns out that there is the political cunning of a nation-building project lurking behind the facade of the pronounced peacemaker.

The success of Izetbegovic's project for an independent B-H depends in large measure on the number of Bosnians and Hercegovinans who are loyal to B-H, regardless of their national and party colors. The more there are, the bigger B-H will be. In this regard, Izetbegovic is an optimist. However, reality indicates that caution is in order. Fear that life in an independent B-H state, regardless of its borders, could be organized according to the views of the SDA, as the dominant political force, is spreading seriously. Izetbegovic himself is clearly not considering the possibility that the creation of a Muslim or Islamic B-H is not even in the interest of the Muslim nation. Instead of that sort of determination, he continually reiterates that a Muslim B-H is not a "realistic option." Of course it is not, but in the event that the two Hercegovinan and Bosnian Krajinas break away—then it definitely is. Because in that case the Muslim nation would be an overwhelming majority, and under the mantle of the SDA. And there can be no doubt that the radical-religious faction exerts key influence in the leadership ranks of that party.

Karadzic's arrogant and aggressive policy cannot be Izetbegovic's justification for steering Bosnia-Hercegovina as if it is only Muslim (talk of citizens' views is already frivolous). The central republic was formed as a community of three nations. In the elections, it fell to the three national parties to decide on the fate of their state-building nations. Until that has happened, Izetbegovic has no right to ignore either of his partner parties (meaning by necessity: either nation as well). If, for example, Alija thinks that Karadzic is ruining the Serbian nation in B-H, then he should prove this with arguments, while at the same time showing that the SDA's policy is acceptable to Serbs as well. Only in that way could he win that nation over to an independent B-H. It is Izetbegovic's misfortune that he has done nothing to win over the Serbs, but has done a great deal to unnecessarily make them devoted and faithful to Karadzic.

Pragmatic flirting with B-H Croats, it turns out, is also not the same thing as winning them over. This "love" based on common "hatred" of someone else has been severed and exhausted prior to the finale of the "Battle of B-H." Just as it has been born between the Croatian and Serbian parties.

In any case, Izetbegovic has made a mistake. The only question is the extent to which circumstances will render this mistake minor or fatal. He and his people will not decide this question. If there are greater misfortunes.... It is possible to make correct moves even within an erroneous policy. But that would mean a change in policy. Such a thing is not even discernible in the SDA. Unfortunately for the Bosnians and Hercegovinans, it is not discernible in the policy of the SDS [Serbian Democratic Party] and HDZ [Croatian Democratic Community] either.

Presidency Member Koljevic on Tudjman Talks

92BA0445C Zagreb VJESNIK in Serbo-Croatian
27 Jan 92 p 7

[Article by Vladimir Hamer: "Nikola Koljevic on Talks With Dr. Tudjman; 'No Agreement'"—first paragraph is VJESNIK introduction]

[Text] "Thus far, B-H [Bosnia-Hercegovina] has had an HDZ [Croatian Democratic Community] and SDA [Party of Democratic Action] coalition, which has always been incomprehensible to us. The Croats' position has been especially incomprehensible to us. We have been unable to accept it as an honorable policy, because it is unnatural for a large share of one nation to remain completely isolated from its mother republic at the moment when Yugoslavia breaks apart," Nikola Koljevic said in an interview.

Zenica—In the 24 January edition of the weekly MUSLIMANSKI GLAS, under the headline "Muslims Are Parasites," Dr. Nikola Koljevic, a member of the B-H Presidency and of the executive committee of the SDS [Serbian Democratic Party] of B-H, said this about the current situation in that republic: "Today, B-H is at a turning point. I would call it a genuine democratic moment after the elections. Why? Because thus far there has been a coalition between the HDZ and the SDA. I must say that this coalition has always been incomprehensible to us. The Croats' position has been especially incomprehensible to us. We have been unable to accept it as an honorable policy, because it is unnatural for a large share of one nation (numbering 750,000) to remain completely isolated from its mother republic at the moment when Yugoslavia breaks apart."

Identical Interests

"So this is why the Croatian position in this unnatural coalition has been incomprehensible to us. As recognition of Croatia approached, it turned out that our theory was correct, that Croats in B-H will have to take into account their association with Croatia, and thus their authentic role in representing their own interests in B-H. In this sense, when President Tudjman gave signals over the holidays, if I may say so, indicating that he wants neighborly relations after a truce with the Serbs, and that Croats and Serbs must come to an agreement, that is when my meeting with Mr. Boras took place. After our meeting, we traveled together to Zagreb, where we held consultative talks with President Tudjman and his colleagues and determined that the genuine, authentic interests of the Croatian nation are identical to, which is not to say the same as, the interests of the Serbian nation, which has been threatened by the unnatural and incomprehensible HDZ-SDA coalition, and has thus been forced to defend its own interests through illegal actions such as the Memorandum, and to establish its own assembly," Nikola Koljevic contended.

Croats Too Must Do Something

Responding to a question about whether the founding of the "Serbian Republic of B-H" is a criminal act, Koljevic responded: "That was our response. But what happened as a result of this proclamation of the 'Serbian Republic of B-H' in this situation was that the Croats realized that they too must do something to defend their interests. I am convinced that there is agreement between the HDZ and the SDA about the fact that B-H first of all will have to be institutionally transformed as a republic of three nations or three national communities. If only to protect the Muslims from a new unprincipled coalition and to keep them from being injured, which we really do not want, most of all for our own sake. Because you must admit that living with people who are politically disenfranchised is not a happy situation in the least. Because of this, I think that they too (we already have the agreement of the Croatian nation) must form their own assembly. That is the most up-to-date solution at the moment. The question now is whether the Muslims will realize that cannot play games behind our backs."

Muslim Doctrine of Equidistance

Asked whether an agreement had been reached with Boras and President Tudjman, Prof. Dr. Nikola Koljevic responded: "This is not an agreement, but rather a consultative understanding, which showed where the greatest mistake in Muslim policy was made, something about which I have been talking for four months now, with no one seeming to listen, and that is the Muslim doctrine on equidistance between Serbia and Croatia. This is the policy pursued by Mehmed Spaha, the doctrine about which Izetbegovic says that it has the strength of natural force, which is pure demagogy. Here's why. The very fact that the Muslims are between the Serbs and the Croats presupposes continuous conflict. What they have in between if the Serbs and Croats come to an agreement, that is one thing. Second, it is a parasitic doctrine because it is defined in terms of the interests of others, not their own interests. It is a tragic doctrine that always presupposes instability. For example, if the Serbs want to fight for them, then we will do so with the Croats, and vice versa. Thus, you see how this doctrine steers a middle course. It is not necessary to us or to the Croats, and we have realized this," Koljevic explained.

Party Secrets

To be sure, the interview was conducted before the convening of the B-H Assembly, but that has no "impact" whatsoever on Nikola Koljevic's thinking. In any event, MUSLIMANSKI GLAS, in its own words, took on a burning topic and interview subject, which will probably not fail to have an effect, because the headline itself, "Muslims Are Parasites," will certainly attract attention—if not something more—in B-H.

International Response to Referendum Considered

92BA0447A Zagreb DANAS in Serbo-Croatian
27 Jan 92 p 7

[Article by Mladen Mirosavljevic: "Bosnia-Hercegovina: Assembly for Tears and Laughter; Referendum—Bosnia's Road Out of the Hell of Uncertainty"—first paragraph is DANAS introduction]

[Text] The key stumbling block, an independent B-H [Bosnia-Hercegovina] or its partition based on the ethnic principle, will have to be resolved through arbitration. Europe is aware of what the partition of this republic could mean, and not only for the Balkans.

Sarajevo—If it had not involved such a vital question as the survival of B-H within its borders and the transition to a bourgeois state, the latest parliamentary session would have been an inspiration only to writers of comedy series and creators of jokes, which in this republic are so beloved. The resolution by the B-H Assembly on holding a referendum on an independent B-H on 29 February and 1 March, with the question, "Are you in favor of a sovereign and independent B-H state of equal citizens and nations of B-H—Muslims, Serbs, and Croats, and members of other nations who live in it," adopted without deputies of the SDS [Serbian Democratic Party] or even the president of the Assembly, opens up a number of new questions about the future of this republic. First of all, will this not provide the SDS with new incentive for yet another step in the direction of breaking up B-H, or, as Karadzic says, "the democratic transformation of the republic, from which there should emerge three new republics based on the ethnic principle and in a confederal relationship." Anyone can draw his own conclusions about how relevant it is to hold up the Swiss model for a country where the average income is around 50 German marks.

"Pushing Around" in Assembly

SDS deputies, who thus far have done whatever they wanted, beginning with SAO [Serbian autonomous region] isolation, the proclamation of a so-called assembly of the Serbian nation in B-H and a so-called Serbian republic of B-H, and the refusal to obey republican authorities in "Serbian autonomous regions," did all they could to delay the other deputies for a full 16 hours, not allowing the question of the scheduling of a referendum to be placed on the agenda, to say nothing of allowing a decision to be reached on it with their consent. It is true that at one point the SDS was ready to accept a referendum, but on the condition that a "democratic transformation" of B-H first be carried out, primarily of opstinas based on the ethnic principle, and then "cantonization," confederalization, and the creation of three national states in one, and finally—the referendum! When they failed to achieve this, SDS deputies, together with the president of the Assembly, who is also the president of the so-called assembly of the Serbian nation, left the session, so that the remaining deputies breathed a sigh of relief and adopted the resolution on a referendum, and did so unanimously.

In the practice of the already former Yugoslavia, but not of the current republican and state parliaments, there is probably no precedent for a 16-hour debate on setting the agenda, nor a precedent for two members of two parties that support opposite positions appearing simultaneously at the speaker's rostrum. The way that deputies of the SDA [Party of Democratic Action] and HDZ [Croatian Democratic Community] continually allow Assembly President Krajisnik, with the help of his party comrades, to "push them around" using trivial procedural-proverbial pretexts is just as improbable, so that it is clear to everyone that there is nothing left of the agreement between the three national parties, which is moreover the purport of this delaying action. Especially not where a referendum on an independent B-H is concerned, given the fact that the Serbs, in their own plebiscite, have already expressed their support for remaining in a "federal state of Yugoslavia," denying other nations the right, however, to decide on what kind of community and republic they wish to live in.

Dissonant Tones in HDZ

The Serbian Democratic Party, which is doing everything to legally formalize the partition of B-H before the referendum and any international recognition, is being helped to a certain extent by dissonant debate within the HDZ parliamentary caucus, which is polarized into Hercegovinan and Bosnian factions. For example, Ivan Sarac from Tomislavgrad has supported "the annexation of regions with a Croatian population from western Hercegovina to the wealthy, democratic, Adriatic and European Republic of Croatia." The leader of the HDZ parliamentary caucus, Dr. Vlado Pandzic, has shown benevolence towards Karadzic's support for a democratic transformation of B-H. The Muslims have already been unpleasantly surprised by talks in Zagreb between B-H Presidency members Nikola Koljevic and Franjo Boras on the one hand and Dr. Franjo Tudjman on the other hand on a "transformation of B-H," feeling that they have been left in the lurch. Because of this, Alija Izetbegovic has characterized similar possible talks as "intervention in the internal affairs of another state," given the fact that Croatia is internationally recognized and considering that Europe will not remain indifferent to this either. Because of this, the Muslims support an integral and independent B-H, which could, however, be reorganized on a territorial principle, but certainly not in such a way that individual parts of it would come under the protection of any of its neighboring republic-states.

World and Bosnia

The key stumbling block, an independent B-H or its partition based on the ethnic principle, will probably have to be resolved through international arbitration, because it was precisely because of the suggestion of the EC Arbitration Commission that the scheduling of the referendum, which is a precondition for international

recognition, was accelerated. Although the referendum will contribute nothing new to internal relations, Europe is only too aware of what a partition of this republic and the eruption of conflict there could mean, and not only for the Balkans. It is no coincidence that the U.S. ambassador in Belgrade, Warren Zimmermann, energetically maintained during a visit to Sarajevo that "the United States is very interested in a unified and integral B-H." Indeed, Europe believes that in the referendum no distinction should be made between citizens based on national affiliation, and thus expresses its support for Bosnia-Hercegovina as an integral and bourgeois state. However, it is integral and bourgeois to the exact same degree that there are differences between the citizens of Switzerland, which Bosnia-Hercegovinan politicians hold up as a model, in their way of life and earnings, and in the survival of the increasing number of unemployed people in B-H, who are definitely the poorest citizens of the former Yugoslavia.

Still, if anyone wants practical confirmation of the possibility of dividing the republic peacefully, let them try to travel across it (something that very few people would consider doing)!

Croatia

Russia's Deryabin Cites 'Imminent' Recognition

LD0702112892 Belgrade TANJUG in English 1022 GMT 7 Feb 92

[Text] Zagreb, Feb 7 (TANJUG)—Croatian President Franjo Tudjman received in Zagreb yesterday evening Russian Deputy Foreign Minister Yuriy Deryabin, who announced the Russian Federation's imminent official recognition of the Republic of Croatia. The envoy of President Yeltsin, who had visited Belgrade before going to Zagreb, informed President Tudjman also about the outcome of his Belgrade talks, says a statement released in Zagreb this morning.

The Russian deputy foreign minister has been received in Zagreb also by Croatian Foreign Minister Zvonimir Separovic. During the talk, it was stressed that the Russian Federation had already taken the political decision to recognize Croatia and that an official announcement to that effect was expected within the next few days.

Support for UN Peacekeeping Forces Stated

LD0702095792 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 7 Feb 92

[Excerpt] The government of the Republic of Croatia, as always from now on, will fulfil international agreements and all commitments undertaken. With regard to the agreement on the arrival of peacekeeping forces, the government has already given operational consideration to and carried out all necessary preparations for the arrival of the Blue Helmets in occupied Croatian areas. This was stated at the government session held last night under the chairmanship of Franjo Greguric. After an extensive debate, it was established that in the signed agreement certain specific problems have not been fully clarified, which is why there have been various interpretations and certain contradictions among the public. The government will closely follow UN and EC developments as well as Serbian developments. After receiving more detailed information on the talks that are taking place, the government will adopt its stand and inform the domestic and foreign public accordingly. [passage omitted]

Krajina Passes Law on Territorial Plan

LD0602235892 Belgrade TANJUG Domestic Service in Serbo-Croatian 2024 GMT 6 Feb 92

[Text] Knin, 6 Feb (TANJUG)—According to a Law on Temporary Territorial Organization of the Republic of Serbian Krajina, adopted by the Krajina Government, the territory of the Republic of Serbian Krajina includes the already listed territories of the North Dalmatian and Lika municipalities, plus Banija and Kordun. In addition to these areas, this law also includes the following municipal areas as part of Krajina's territory: Medak, the eastern part of the town of Gospic, Teslingrad, Vrhovine, Plaski, Karlovac- Krnjak, Bratiskovci-Skradin, Okucani, Sisak-Caprag, Vrlika, Zemunik Gornji-Smokovic, Petrovo Polje-Drnis i Perjasica.

This law also enables those clusters of built-up areas that were originally municipalities to launch a procedure whereby they could amend the law in order to constitute themselves as municipalities.

At today's session the Krajina Government adopted a ruling that divides the republic's entire territory into four counties: North Dalmatia, its seat in Knin; Kordun, its seat in Vojnic; Banija, its seat in Dvor; and Lika would have its capital in Gracac.

Bans Public Meetings in Gracac

LD0702000592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1610 GMT 6 Feb 92

[Excerpt] Knin, 6 Feb (TANJUG)—By order of the headquarters of the 1st Krajina Brigade of the Territorial Defense in Gracac, all gatherings, protests, and meetings have been banned in Gracac, the municipality of Donji Lapac, and the newly formed municipality of Medak. This has been unofficially but reliably learned in Knin today. It is said that this order was issued because any mass gatherings of citizens could seriously disrupt the political and security situation and undermine the combat readiness of the units.

Unofficially, it is also learned that a poll conducted among the members of the brigade shows that a large majority of the members support the arrival of the Blue Helmets and that only 11 percent of the polled members of the Yugoslav People's Army and the Territorial Defense support the policy of the government of the Republic of Serbian Krajina. [passage omitted]

Austria's Mock Supports EFTA Cooperation

92BA0415B Zagreb VECERNJI LIST in Serbo-Croatian 20 Jan 92 p 13

[Article by Vladimir Matek: "Austria Announced Support for Croatia Within the Framework of the European Free Trade Association"]

[Text]

EFTA Fund for Croatia?

More than two years ago, seven European countries, in their programs, provided for a total of 100 million dollars in a special fund established to promote private enterprise in what is now the former republic of Yugoslavia, so that her admission to the zone of free trade would be made easier. But the project never materialized. The Austrian Minister of Economics W. Schussel has proposed that, since all members of "the club of small and rich European countries" have recognized Croatia, these funds be redirected towards the reconstruction of Croatia....

Since Finland and Liechtenstein on Friday recognized Croatia, we can now say another significant economic entity of the continent, the European Free Trade Association, joined the European Community in support of Croatian sovereignty and statehood. EFTA could not bring forth a collective decision, such as the EC did, because its seven members (Austria, Finland, Iceland, Liechtenstein, Norway, Sweden, and Switzerland) have not transferred their individual right of making political decisions to the bodies of the organization; therefore, it was necessary to wait for each of the individual members to make their independent decision.

Now, that this has been accomplished, there is no official obstacle to EFTA's cooperation with Croatia, cooperation that, as early as last December, was announced by the Austrian Minister for Foreign Affairs, Dr. Alois Mock. He proposed that he would urge the other ministers of EFTA to support Croatia's request to join EFTA and, as he said, based on the responses of the ministers, he did not foresee any problems.

Dr. Mock Opens the Door?

During his visit to Zagreb on Saturday, Dr. Mock, speaking of Austria's support for Croatia in joining various international organizations and cooperating with them, said that EFTA is also undertaking some other "very interesting steps." Taking into consideration the idea suggested four days ago by the Austrian Minister of Economics, Wolfgang Schussel, the words of Dr. Mock take on a more definite form. Immediately after Croatia's recognition, Schussel suggested that the former EFTA fund for Yugoslavia of 100 million dollars be redirected to help Slovenia, and even more to war-torn Croatia.

The fund was established in December of 1989, at a ministerial meeting of EFTA held in Geneve, with the purpose of stimulating the growth of private enterprise in the territory of the former republic of Yugoslavia, and at a time when talk first began regarding Yugoslavia joining EFTA. The money approved for the fund, by the members of EFTA, were meant to be used to help finance the initial phase of a large number of projects under conditions somewhat more favorable than existing market conditions. The outlook for these projects was to be determined by special teams of experts in banking and marketing. Their projections, together with financial support from the fund, should stimulate, as well as provide a certain guarantee to, other foreign investors to enter into business as creditors or partners.

"Frozen" Millions Waiting

But, Belgrade remained deaf to the unambiguous warning of the general secretary of EFTA, Mr. George Reisch, when, on his last visit here in November 1990, said EFTA will cooperate only with the "democratic countries of the market economy." Meanwhile, most of the republics were accusing Jugobanka, which coordinated projects at the federal level, for not behaving in accordance with the role given to it.

Indeed, information about the EFTA fund was retained in Belgrade for an intolerable length of time, which was one more signal to members of EFTA, which had already ratified their decision to contribute to the fund, to freeze the use of the monies for the time being. Other members, like Austria, did not even bring such proposals back to their parliaments.

Since the monies we are talking about have already been put aside in the financial plans of member countries, Mr. Schussel's idea to redirect it, now that Croatia has sympathy and support, certainly does not look unrealistic. Since the model has already been worked out, it could be operational in a relatively short time and become, if not the nucleus of some sort of Marshall plan for Croatia, then certainly an accompanying development program. This program, in view of credit-business exchange, would be carried through in those areas where entrepreneurs can take such obligations, and then it would be gradually expanded to those areas which need reconstruction as a result of the war's destruction.

In Portugal—Right on Target

What the potential of such a program has is best shown with an example of the identical prescription which, in the seventies, EFTA applied to one of its members, Portugal, in order to speed-up its development. The initial amount of money in the fund for Portugal, 100 million dollars, with skillful turnover during the ensuing thirteen years brought into the country a total of 1 billion dollars of fresh capital, particularly into small and medium size companies, and helped save or create about 100,000 jobs. This stimulated fast economic growth, which then led Portugal to leave EFTA and push-off into the very risky adventure of entering the European Community.

Since Croatia needs a stronger economic opening to the outside, and EFTA now has an agreement with the EC regarding a united European Economic Area, and since its model of the fund was proven in the Portuguese example as very effective in establishing business relationships, and partnerships as well, it should undoubtedly be a very acceptable way for the Croatian economy to expand into the European scene.

Croatian Military Cabinet Head Interviewed

92BA0447C Zagreb VJESNIK in Serbo-Croatian 28 Jan 92 p 2

[Interview with Stjepan Adanic, head of the new Croatian Military Cabinet, by Zeljko Buksa; place and date not given: "Interview With Stjepan Adanic, First Head of Military Cabinet of the President of Croatia: President's 'Service Shop' for Tactics"—first paragraph is VJESNIK introduction]

[Text] "As a specialized operative body of the Ministry of Defense, the Main Staff provides us with all necessary information, because the Military Cabinet must continually have a complete overview of the situation in order to perform its duties and, in accordance with orders from the president, influence certain decisions, depending on the situation on the battlefield," says Mr. Adanic.

The public first heard of Stjepan Adanic of Varazdin after the first democratic elections, when he became the mayor of Varazdin. A little more than a year later, after the capture of the Varazdin barracks and the surrender of the former JNA [Yugoslav People's Army] corps garrisoned there, he became deputy minister of defense of the Republic of Croatia. In that post, he and Gen. Agotic took part in the first negotiations with representatives of the Yugoslav Army, and later he was involved in the exchange of prisoners. At the end of last year, having been promoted to the rank of colonel in the meantime, he was once again appointed to a new post—he became the first head of the newly formed Military Cabinet of the President of Croatia. We asked Mr. Adanic when and why the cabinet was formed.

[Adanic] The Military Cabinet was formed in December as part of the Office of the President of the Republic. Namely, other countries have their own military cabinets responsible for advising the state president, and with the gradual creation of the Croatian army out of nothing, the need for such a cabinet has emerged in Croatia as well. The decision to form it and appoint me as its head was made by the president of the Republic of Croatia. My job is to work on the organization of the Croatian army and to mold current and future policy for creating the Croatian army and defense, based on geostrategic characteristics and needs and on economic possibilities. It is known that there are positive, but also negative aspects to Croatia's geographical appearance, with its lengthy borders, and we must adapt the defense system to this. Besides this, I am working on combat-operative and specialized affairs in cooperation with the Ministry of Defense, and as an expert adviser to the state president on military issues, because as the commander in chief of the Croatian army, he must be informed of all the most important events in the field in a timely, expert, and objective fashion. I am greatly helped in this by the knowledge that I acquired in my study of national defense and my later master's study in the field of law, and I also have practical experience, from disarming the Varazdin corps to the present day.

President Names Commanders

[Buksa] What is the relationship between the Military Cabinet and the Main Staff of the Croatian army? For example, who appoints commanders and assigns ranks?

[Adanic] As a specialized-operative body of the Ministry of Defense, the Main Staff provides us with all necessary information, because the Military Cabinet must continually have a complete overview of the situation in order to perform its duties and, in accordance with orders from the president, influence certain decisions, depending on the situation on the battlefield. As far as appointments are concerned, the president names all commanders of the Croatian army up to the battalion level, while the others are appointed by the minister of defense or a person so authorized by him. The situation with ranks is similar, because all officer's ranks are assigned by the commander in chief, while those below the officer level are assigned by the minister of defense.

[Buksa] Who are the other members of the president's Military Cabinet?

[Adanic] Besides me, the cabinet itself includes the deputy head, who is also the president's adjutant, and one other member. All are experienced military experts, but also very industrious people, because there are no weekends or holidays for us. We also have a few administrative assistants who help us in our work, while the necessary technical services are provided to us by the Office of the President, of which we are a constituent part.

[Buksa] What will become of the Military Cabinet after the war is over?

[Adanic] The Military Cabinet will remain as an expert advisory body within the Office of the President after the war in Croatia as well, because even during peacetime the army must be created, defined, trained, and tested. Thus, we are cooperating closely with the inspectorate of the Croatian army headed by corps general Martin Spegelj. We transfer to him certain tasks that the president has assigned to us so that we have continual knowledge of the situation in individual brigades or zones, from logistics to purely human problems. It is also our task to find the right place in the Croatian army for all the people who want this and who have distinguished themselves in the defensive war. All those who have proven themselves in the right place, on the front, will

have the opportunity to continue their training at Croatian military schools in order to create the best officers corps.

Yugoslav Army Seeks Supporters

[Buksa] What sort of developments can we expect following the discontinuation of talks with representatives of the Yugoslav Army in Pecuh?

[Adanic] According to all the international documents, the Yugoslav Army must withdraw from temporarily occupied territories in Croatia, where the "blue helmets" will keep the peace. That army is now looking for a state to support it, but it will certainly not be Croatia. As far as the discontinuation of talks is concerned, that is nothing special, because the talks at the Hotel I were also discontinued several times due to various disagreements and excesses, and nevertheless they later resumed, which is what I believe will happen in this situation too. The remaining paramilitary units and leaders of so-called "Krajina" are already at the end of their rope, and they have used up all their political credibility, because Milosevic in some way sold them out and ultimately abandoned them. Now, they are trying to win time and salvage something, although there is still a possibility that they may play some sort of little game together. Because without the help of the army, they have no chance whatsoever. After demilitarization, everyone who remains here will have to respect Croatian laws, while everyone who has violated them will answer for it in court.

UN Intervention Urged To Stop Serbian Policy

92BA0447B Zagreb VJESNIK in Serbo-Croatian 28 Jan 92 p 5

[Commentary by Branko Podgornik: "Games Surrounding Blue Helmets"]

[Text] The coming days will see an answer to the question of whether there are any prospects for a peaceful end to the drama in the former Yugoslavia. Right now, the solution that—simply speaking—provides for the deployment of United Nations peacekeeping forces, who would guarantee a political outcome to the drama, in tandem with recognition of the former republics as new states, is facing its final test.

The first obstacle to the arrival of the Blue Helmets could be the failure to abide by the 15th cease-fire, which was agreed to in Sarajevo. Although almost everything has been done under the auspices of the EC observer mission to establish permanent "telephone hotlines" between the "belligerent sides" and it has been possible to keep periodic violations of the cease-fire from turning into renewed general conflict, the Serbian side continues to provoke clashes, while the Main Staff of the Croatian army is increasingly vocal in its protests of nonobservance of the agreement.

To be sure, the main obstacle to the arrival of the Blue Helmets is the dissatisfied leadership of the Serbian militaristic creations in Croatia. They have achieved heightened political status with the help of their weapons, but without them they are falling politically. That is why they do not approve of that which the Serbian and Croatian state leaders agreed to in Sarajevo through the mediation of Cyrus Vance, and that which even the leadership of the Yugoslav Army, with its overhauled personnel, has agreed to through its statements: the withdrawal of the Yugoslav Army from Croatia and the disarming of paramilitary forces in the territory of the "krajinas."

In the meantime, the rift on the question of the further strategy of Serbian politics is widening between Milosevic and Serbian political forces on the one hand, and between the extremist army leadership and the Serbs in border regions on the other hand. The Serbs are approaching a dangerous political split, which the Serbian leadership is trying to postpone and alleviate as much as possible. Milosevic's effort to replace war and aggression with peaceful political tones cannot be accepted without opposition condemnation of his prior, unrealistic goals, without the rendering of a statement of account for the general state of ruin in Serbia, and without the tottering of the current regime.

Thus, complying with the demands of the dissatisfied militarists in the Serbian "Krajinas" is for the moment the main potential trigger for a resumption of the war in Croatia, but at the same time it could also delay the fall of the standard bearers of Greater Serbian policy in Serbia itself, the very people who created the Krajina monsters.

Obviously, this is also the motive behind the attempt to change the function of the Sarajevo agreement, the motive behind the proposal just presented by the president of the truncated Presidency of the nonexistent Yugoslavia, Branko Kostic. In tandem with Sunday's visit by UN representative Marrack Goulding, who wants to see "whether the conditions are in effect for the arrival of Blue Helmets," Kostic says that "the status quo must be maintained" through the deployment of peacekeeping forces, which in his words means that "the local organs of power must act to find a political solution in territories under UN protection."

Thus, by satisfying the demands of the Krajina leadership—in a way that would be incompatible with the Sarajevo agreement—the Blue Helmets would have to be transformed into defenders of Greater Serbian plunder on Croatian territory! To be sure, such a "solution" only heightens the prospects of a resumption of the war in Croatia, and does not prevent its spreading into Bosnia-Hercegovina either. On the contrary.

The militaristic, Greater Serbian faction, whose position is shaky even in Serbia itself, wants to achieve a situation in which the Blue Helmets are border guards between territory temporarily captured by Greater Serbia and

"the rest" of Croatia. If we add to this the demand that Babic and Hadzic be further indulged in their type of blackmail, by requiring that the Blue Helmets be deployed in Bosnia-Hercegovina as well upon their arrival in Croatia, then it becomes obvious that Greater Serbian policy is demanding impossible conditions. In fact, it wants to prolong pressure on the "western front" in order to have a freer hand in concluding the Greater Serbian political project in Bosnia-Hercegovina through force and threats.

For this reason, urgent international action is necessary, as is the sending in of peacekeeping troops and the provision of guarantees that a referendum will be held in Bosnia-Hercegovina, as well as further recognition of former Yugoslav republics. In this way, Greater Serbian policy would be definitively notified that its further use of force does not pay off, and that it will not be rewarded.

Petroleum Supply, Imports Detailed

92BA0415A Zagreb VECERNJI LIST in Serbo-Croatian 15 Jan 92 p 8

[Article by R. Cigler: "There Will Be No Significant Shortages of Gasoline or Natural Gas, But We Can Not Expect the Same Standard of Production and Consumption as Last Year"]

[Text] In spite of the adversities that accompany war, our citizens will not have to fear, this year, any really significant shortages of gasoline or petroleum products, or natural gas, but because of the shortages of foreign currency, we will not be able to maintain the same standards of production and consumption as last year, which was on a level with Sweden. In other words, Croatia is not going to experience an energy collapse of the kind which we are witnessing in the neighboring states of the former republic of Yugoslavia, said Nikica Valentic, general director of INA [Petroleum Refining and Sales Enterprise] at the monthly press conference held yesterday in the Chamber of Commerce of Croatia.

INA, as well as many other companies in the republic, in the past six months and especially the past four months, has coped with many problems. The market has been significantly reduced, three crude oil fields in eastern Slavonija are under enemy occupation, and important crude oil fields in the vicinity of Donji Miholjac are also shut down. According to Nikica Valentic, INA production has been reduced by 40 percent, which means 1 million tons of crude oil less per year, and that is a loss of 12 to 15 million dollars per month. At this moment, INA has claims of 9 billion dollars against Croatia, and any further debt could mean catastrophe for this corporation. INA's next problem is the foreign currency insolvency within the republic, so the question is, how to get 700 million dollars, which is the amount that was needed last year for the purchase of crude oil. This could cause occasional restrictions. We believe that a successful attempt to avoid this is the departure of Nikica Valentic yesterday on a trip to Beijing, where he is expected, together with Chinese partners, to sign an agreement regarding the purchase of crude oil which INA would pay for in artificial fertilizers produced in its Kutina factory.

A huge manufacturing capacity, and a large number of employees, among other things, are reasons why INA must turn to the export of its products as a solution to some of its problems. Last year, the export of its products was up 30 percent, and they hoped for a similar increase this year. As INA is a world-renowned company; it tries to organize itself along appropriate principles. That's why the change of ownership is extremely important for the company, but this change, under our circumstances, is being carried out too slowly.

Asked by journalists to comment on the present monetary policies of the republic of Croatia, Nikica Valentic said he fully understands the government's endeavors, but that they will have to be adjusted to the real world situation, and he also believes inflation will be greater than predicted.

The citizens' pockets have best felt the difficulties from natural gas imports. Sixty percent of our consumption is being covered by imports, and the Russians have recently raised their price 30 percent. However, according to Valentic, everything will be done in order to satisfy at least the minimum demands.

Explaining in more detail INA's plans for this year, Bozo Bencic said that 1,963 million tons of crude oil will have to be refined, and that we will need about 2.6 billion cubic meters of natural gas. Exploration abroad will continue; even at this moment three INA platforms under the Liberian flag are in Italian, Libyan, and Tunisian waters; land drilling rigs are in Tunisia, Libya, and Siberia; and intensive preparation for exploration is underway in Albania.

The president of the Chamber of Commerce of Croatia, Ivica Gazi, informed the journalists that dialogue between the government and the chamber covering the restructuring of the Croatian economy is continuing. The chamber is pushing for a faster change process, because stagnation means loss.

Natural Gas From the Sea—Not Profitable

The first thorough analysis of the natural gas found in the northern Adriatic, in spite of initial optimism, did not support further exploration as commercially profitable. The natural gas was discovered at a depth of 700 meters, which is rather shallow, and in sand. The reserves of natural gas found are rather smalll, and extraction of the gas would require an investment 10 times greater than extraction on land. Generally, small natural gas fields such as the one found in the Adriatic do not exist on land.

Macedonia

Kostic Requests Hold on JNA Plans

AU0602161992 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 6 Feb 92

[Text] Dr. Branko Kostic, vice president of the SFRY Presidency, has sent a letter to Macedonian President Kiro Gligorov today, regarding the decision by the Macedonian Government to limit the activities of the Yugoslav Peoples' Army [JNA] units and institutions and introduce a special program for the movement of military vehicles and aircraft on the territory of this republic.

The SFRY Presidency calls upon you to refrain from applying the measures passed by the Government of the Republic of Macedonia. We propose holding a meeting in the SFRY Presidency in the middle of next week in order to discuss unresolved questions and find a joint solution, says the letter, among other things, in conclusion.

Army, Government Talks Begin

AU0602210492 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 6 Feb 92

[Branka Nanevska report]

[Text] The official talks between the Macedonian Government and General Milan Uzelac, commander of the Third Military District, started in Skopje today. The talks are being held in the building of the Ministry of Internal Affairs. It is hoped that they will find a solution for the problems in the mutual relations that were provoked by the swift withdrawal of Army property from the republic and the behavior of the Army personnel during this withdrawal.

The statement on the proceedings of this close, high-level meeting between the state and Army has not been issued yet, but we have learned unofficially that the Army representatives were told most resolutely that the Macedonian Government will in the future consistently implement its decree on control of all Army transport. This decree is in accordance with the Constitution of the republic and was passed with the aim of preserving the territorial integrity, sovereignty, and dignity of the Macedonian state.

We also learned that Branko Kostic, president of the rump SFRY Presidency, which is considered illegal here, sent a letter to Macedonian President Kiro Gligorov in which he accused him of making a unilateral decision and warned him about the possible consequences. He also proposed holding talks between the two sides in the middle of next week at the SFRY Presidency in Belgrade.

As is known, President Gligorov was visiting Sarajevo today. Therefore, there is still no reply to Kostic's letter. However, to recap the situation: Since adopting the new Constitution, the Macedonian leadership has demanded talks with the Federal Secretariat for National Defense several times, but it has been all in vain. Therefore, the criticism of the Macedonian authorities' behavior sounds cynical.

We believe that a solution for this Macedonian-Army conflict—which has caused an upheaval in Macedonia, seriously threatened the peace and security in this region, and brought fear and unrest to the everyday life of the citizens—will be found through talks and not by force. It is not pleasant for the Macedonian people to watch how not only arms and expensive military hardware but also hospitals, medicine, and food are being taken away from them. All this is being transported predominantly by civilian trailers that are accompanied by a uniformed reservist with (?party) insignia, fly the Serbian flag, and have their sirens turned on.

On the other hand, it is not pleasant for the Army to have the special police force standing outside the barracks' gates. One must admit that there are a considerable number of special policemen, not only outside the barracks but also on the streets of all Macedonian towns, especially on all main road crossings.

However, this is not a blockade, as was the case in Slovenia and Croatia, because the normal activities of military institutions are not being obstructed, stated Trpko Spasovski, spokesman of the Third Military District.

Even today the units of the Ministry of Internal Affairs of Macedonia remain at the highest level of readiness. Its organs are duly issuing traffic permits for the military vehicles. Therefore, 11 trucks full of arms today departed for Serbia from Strumica, another 17 from Kicevo, and three from Bitola. The correspondents of Macedonian radio report that (?the loading) is running smoothly in almost all the barracks.

Gligorov Rejects SFRY Government Request

AU0602220492 Belgrade Radio Beograd Network in Serbo-Croatian 2100 GMT 6 Feb 92

[Boris Djorjioski report]

[Text] Speaking about the SFRY Presidency's letter, Macedonian President Kiro Gligorov in his statement for the Macedonian media this evening stressed that the Army's withdrawal is a purely military issue and not a political one. He added that there is nobody to make any sort of political agreement with, especially since there is no need to hold the talks with the illegitimate, so- called SFRY Presidency.

Gligorov stressed that (?at 1600 GMT) he sent a letter to Blagoje Adzic, acting federal defense secretary, to discuss in Skopje the withdrawal of the Yugoslav Peoples' Army from Macedonia, that is to say, the Army's peaceful withdrawal and the resolving of the problem of the future status of military and civilian persons. Gligorov says he received a reply that stated that without a

decision by the Supreme Command, that is to say the SFRY Presidency, General Adzic is not authorized to hold such talks and negotiations and that Gligorov should discuss everything with the SFRY Presidency.

Even today [words indistinct] on the Skopje—Belgrade line that General Adzic briefs the Supreme Command about Gligorov's demands, that he obtains the necessary authority, and that meeting be held in Skopje as soon as possible.

Gligorov says that in the case of Slovenia and Croatia the same issues were resolved through the talks between the military leadership and the organs of the two republics and that this should also be done in the case of Macedonia.

Gligorov's Letter to Adzic Detailed

LD0702001192 Belgrade TANJUG Domestic Service in Serbo-Croatian 2244 GMT 6 Feb 92

[Excerpt] Skopje, 6 Feb (Tanjug)—Following the publication of a letter sent by SFRY Presidency Vice President Branko Kostic to Macedonian President Kiro Gligorov, Macedonian Television's main news bulletin tonight featured the Macedonian President, who said that he sent a letter on 4 Febrary to Colonel-General Blagoje Adzic the acting federal secretary for national defense, in which he invited him to visit Skopje in order to reach agreement about a peaceful solution to the question of withdrawing the Yugoslav Peoples' Army (JNA) from Macedonia.

In his statement tonight, Gligorov stressed that this is entirely a matter of military issues rather than political ones, and this is why he sent the letter to General Adzic. He said that for Macedonia the current formulation of the SFRY Presidency was "illegitimate," and this is why his visit to Belgrade was not needed. Gligorov added that he maintains that the JNA General Staff should appoint its representatives after consulting the SFRY Presidency in its capacity as Supreme Command of the Armed Forces, who would solve all the issues regarding the JNA's withdrawal together with Macedonia's competent bodies.

Gligorov also said that tonight he has sent yet another letter to Gen. Adzic, to inform him about Macedonia's attitude toward the JNA's withdrawal from Macedonia.

"I am glad that you also believe these issues ought to be resolved in a mutually acceptible way and by agreement. I bear in mind your circumstances and your inability to accept, without the Supreme Command's decision, our demand for talks regarding the JNA's withdrawal from Macedonia. This is why you have directed me to the supreme command of the armed forces so that it can decide on this matter.

"Bearing in mind my demand that we should hold talks about purely military matters rather than political ones, and that in Slovenia and Croatia such issues were being resolved through negotations between the military leadership and the organs of these republics, I believe that it is more acceptable for you to acquaint your Supreme Command with my demand, thus obtaining its authorization for these talks. If the Supreme Command is acquainted with my demand, please insist on its authorization in order that you may come to Skopje to hold talks. I expect this meeting to take place as soon as possible," it is written in Kiro Gligorov's letter to Col. Gen. Blagoje Adzic.

The text of this letter has been dispatched to the press by the Macedonian President's office. [passage omitted]

Future Macedonian Armed Forces Detailed

92BA0445B Belgrade BORBA in Serbo-Croatian 28 Jan 92 p 8

[Article by I. Torov: "Macedonia Creates Defensive Armed Forces; Army Custom-Made for the State"—first paragraph is BORBA introduction]

[Text] Although the model has yet to be definitively established, it is certain that the basis for the future Macedonia army will be the current territorial defense force (with an essentially different organization) and some of the equipment and weaponry of the JNA [Yugoslav People's Army]. A force of between 25,000 and 30,000 soldiers has been considered.

It appears that the latest "unraveling" of the Yugoslav crisis has forced Macedonia to resolve yet another of its momentous dilemmas. Definitively abandoning illusions about the possible restoration of a Yugoslav community based on a formula that was somewhat acceptable to that republic, and faced with serious dangers and temptations caused by the accelerated departure of the JNA from its territory, the republican leadership has also abandoned its utopian ideas about a Macedonia without an army.

Naturally, this does not mean that it will have a powerful army, because the material preconditions for that do not exist, nor are people in Macedonia partial to extreme militarization. The new Constitution describes Macedonia as an autonomous and independent state, and it is anticipating greater international recognition; according to international regulations and the Charter of the United Nations, it is obligated to organize some sort of defense system that will guarantee its territorial integrity and security. Lately, the new minister for national defense, until recently the dean of the School of Philosophy in Skopje, Prof. Dr. Trajan Gocevski, is emphasizing that Macedonia must join the system of collective European defense and security, which presupposes the signing of CSCE documents and incorporation into its mechanism.

Up to 20-Percent Professional

The thinking (as well as the few concrete steps) for now relates to using existing possibilities of the territorial

defense force as the foundation for defense forces, even though there are certain limitations here, since the territorial defense force is still linked to the JNA and its weaponry is under the control of the Yugoslav Army. But the Macedonian leadership believes that this question will be resolved through negotiations with the army to the satisfaction of both sides. In the long term, however, it is counting on a division of Yugoslav Army resources (the creation of a basic military structure), even though there is mounting feeling that these issues will not be that easy. Especially since the JNA, as the Macedonian government itself has been reiterating recently, is withdrawing practically everything from the south.

The future Macedonian armed (defense) forces, according to current assessments, would have an operative (permanent) army and a reserve structure. Experts in this area point out that a territorial principle for organizing the reserves would not be good for this republic, because in certain situations this would mean the formation of units on a purely monoethnic basis, which is not advisable for the defense of a multiethnic state. Minister Gocevski says that fulfilling a term of military service must become a civil obligation, whereby the professional part of the active cadre (with specialists in all areas) would have to comprise between 10 and 20 percent of the total structure. Naturally, they are also counting on strengthening civil defense.

Understandably, cost is in the foreground. Minister Gocevski reports that based on JNA standards from 1987 to 1990, a Macedonian army of 25,000 to 30,000 soldiers (1 percent of the population) would cost $9,000 per soldier per year only for sustenance. However, European standards go as high as $35,000 per year. This appraisal does not include resources that are necessary for the basic military structure.

"If we were to start from nothing, we would need around $2 billion for the Macedonian defense system, which, logically speaking, is unreasonable. Because Macedonia has allocated funding for the JNA in the past, our republic has the right to demand part of the inheritance of the JNA in a division of military equipment, weaponry, and systems, within the framework of its participation in financing the army. For the model that has been decided on, this would be quite adequate for the initial equipping of the armed forces," says Trajan Gocevski.

Most Elite Part of JNA

In recent days, the Macedonian press, besides printing frequent, alarming reports about alleged directives from the SSNO [Federal Secretariat for National Defense] to withdraw outpatient clinics and the Military Hospital in Skopje from Macedonia, is concerning itself with the costs of the Third Army District. Experts on military affairs point out that for a long time, it was the most elite part of the Yugoslav Army, because it was focused and equipped in such a way that it could act against three potential aggressors: Bulgaria (Warsaw Pact), Greece (NATO), and Albania.

It is no coincidence, they say, that all the highest-ranking military officials in the SSNO passed through the Third District, because in some way this provided them with more favorable characteristics for further promotion. It is also not a well-known fact that there were around 60 enterprises involved in producing goods for army needs. NOVA MAKEDONIJA cites several: Makpetrol, near Skopje's Novo Selo, which produced rocket fuel for multibarrel rocket launchers (which were used in the war in Croatia); the Tito metallurgy plant, which produced parts for the T-84 tank; and a munitions plant near Makedonski Brod. Until recently, no one knew about the heliport near Tetovo or the missile base and underground airfield in Karadzik.

Some expert assessments indicate that at least one-quarter of the value of the JNA military arsenal was located in Macedonia, which amounts to around $10 billion. For this reason, it is quite understandable that the Macedonian authorities are not waiving their right to part of the inheritance, even though there are no indications coming from the military leadership of the JNA and from the rest of Yugoslavia that this could happen anytime soon (or at all).

International Recognition May Include Intervention

92BA0438A Belgrade VREME in Serbo-Croatian 20 Jan 92 pp 12-15

[Article by Milan Milosevic: "The Hue and Cry Against Vuk"]

[Excerpt] [passage omitted]

Who Will Be Accountable

Political opinion is facing a political defeat that by some estimates is nullifying the results of all the wars that Serbia has achieved in this century. The state that the Serbs consider their own has disappeared, the nationality is alone and isolated, shamed, misunderstood, and even the international public has for all practical purposes condemned it. Its social milieu now is like the Valjevo Hospital in 1915 as described by a writer who was by no means blameless in that accident.

One television viewer (NTV package) asks: "If the administrative borders are recognized, who will be accountable for the lives lost in this war"? Prince Aleksandar Karadjordjevic has expressed concern because of the recognition of Slovenia and Croatia, that is, because the Yugoslavia his grandfather made has been pulled apart.

Serbian public opinion, which has been told by way of explanation that Germany is behind everything and that 1992 is reminiscent of Munich in 1938, did not expect

that Slovenia and Croatia would be recognized by so many states. The opposition is counting Milosevic's mistakes. Desimir Tosic, member of the main committee of the Democratic Party, says that the responsibility for the very hazardous situation in which Serbia has found itself is borne by the team in power, which (just like those in the SFRY Presidency) have contributed most by their policy to the condemnation of the Serbian people by the international public.

The SPO [Serbian Renewal Movement] blames the destiny of the joint state on the spiteful policy of Milosevic's team and warns that destiny took a downturn when primitive people got into a position of defining the destiny of the nationality. Vojislav Kostunica thinks that the defeat of Serbian policy, just like a combination of other circumstances, leaves the Serbs outside Serbia in great uncertainty, both those where the war was waged and those in the large cities in Croatia, whom this government has protected in declarative terms. Kosta Cavoski of the Serbian Liberal Party [SLS] believes that Milosevic committed a strategic mistake when he allowed the European Community to arbitrate, mistakenly assessing relations within it.

Milosevic, who was forced to consent to an interruption of the military campaign, is now attempting to prove that he has not lost anything. The explanations revolve around the sentence uttered last week by Dr. Gavro Perazic—recognition of a state need not signify recognition of administrative borders, because a portion of the territory has special status. At the moment, when reports of recognition of the northern states are coming in in such numbers that this is almost a shock to Milosevic's gullible entourage, he is issuing an accusation in Athens that the EC is threatening the peace....

The War Lobby

Although some of the Belgrade patriots say that Milosevic's regime has always been for peace, by and large, maps are still being drawn to correct the disastrous mistakes of Cvijic, Vojvoda Putnik, Aleksandar, and Pasic. Now they are going to do that, just to get the Serbs to agree!

The war lobbyists have spent up their credit in Serbia, they have crawled away to European cities where they have gathered the Serbs together and delivered irresponsible warmongering speeches (the threat that the Serbian flag will be hoisted on the parliament building in Vienna, or Djuretic's threat that he will drive out the soldiers of the United Nations on the principle that "three days is enough for any guest"). Having brought ruin on the Serbs in Croatia, they have turned to those who are working in West Europe, never thinking whether thoughtlessly arousing them to rebel they will worsen their position there in the European capitals and expose them to deportation. The entire action, carried out at 1159 hours, made no lasting impression whatsoever on European diplomats.

The Deal With Babic

Milan Babic has continued to oppose demilitarization and the disarming of his troops, and then he declared that he saw a chance for himself in peace. In a letter to the UN secretary general, he is calling for the issue of borders to be decided by the powers that were the victors in World War I. Babic has explained the ban of the KP-PJ [Communist Party—Movement for Yugoslavia] with the accusation that it illegally armed itself. He still has not undertaken anything against the opstina leaderships which supported Milosevic.

The Democratic Party said in a carefully worded press release that the peacekeeping troops should be accepted, but that Milosevic must recognize Babic's sovereignty. They say that after that press release some of their leaders were cordially greeted by Vasilije Krestic in a restaurant, which had not occurred earlier. They are now trying to get closer to the Knin Serbs, who have had no understanding for their moderation, and perhaps they are also trying to satisfy Cosic's wing in their own party, but perhaps they simply want to teach Milosevic a lesson. Some of them are inclined to think that the point of that press release was actually to ask why he started the war in the first place if he is now consenting to Serbian autonomy in Croatia, that is, to Tudjman's concession.

Vojislav Kostunica thinks that there is a deal between Milosevic and Babic with which the Serbian people has not agreed, because Milosevic has given preference to one segment of that people and to one method of protecting it. He says the cause of the Serbs should be defended in a different way and that the rights of that people must be internationalized in good time. Milosevic, Kostunica believes, has now gone back on that deal.

The Socialist Party of Serbia [SPS] says in its press release that for it "the interest of the Serbs in the krajinas is most important." Although Vladislav Jovanovic says that Milosevic did not tell Tudjman that he was consenting to the autonomy of the Krajina in Croatia, and although the scholarly interpreters of his moves are now all of a sudden emphasizing the value and quality of the international guarantee for the Krajina Serbs, the rightwingers, who had stuck with him, have now cooled off toward him.

The Indictment of Draskovic

The government which in March of last year acknowledged its responsibility for the unrest in that it sacrificed the chief of police and its own trusted people in television has now lodged an indictment against Vuk Draskovic. This is probably the result of fulfillment of the promise which Milosevic made in late December in the Hall of the JNA [Yugoslav People's Army] to fight the "conservative forces." It has turned out that Milosevic was not thinking at all of the armed extremists—his government continues to think that it will be easy to continue to control them and disarm them, if necessary.

He is obviously deciding to attack the democratic center, Vuk Draskovic, above all, who has been fiercely criticizing Milosevic's war for several months. That indictment was preceded by a propaganda campaign: The content of a leaflet appealing to soldiers to leave the front was attributed to Draskovic, Lainovic, former commander of the Serbian Guard, was given time on Belgrade television to accuse Danica Draskovic, Vuk Draskovic's wife, of having proposed to a group of armed men to enter the Assembly and kill deputies! Lainovic was actually preparing the atmosphere for the indictment.

Draskovic is in any case convinced that on 9 March the opposition missed a chance of bringing down the regime in Serbia, but it is not likely that the SPO was planning such an action at that time. At one point, he perhaps wanted to take advantage of the opportunity when he was in the Assembly to begin to issue political proclamations from the Assembly, using 1968 as his model. Yeltsin's exploit in Moscow is at this point probably figuring in his exaggeration of that supposition. There is a small difference—Yeltsin had with him half of the KGB and the Russian navy and air force.

Why did Milosevic's regime decide and then perhaps refrain from criminal prosecution of Vuk Draskovic, thereby putting the president of the republic in a situation of going back on his word about releasing all those arrested, which was extracted from him against his will? Perhaps because Milosevic does not like to leave unpunished anyone who has humiliated him.

Draskovic has repeated several times in the last month that the regime in Serbia should be replaced, through or outside the institutions, through or outside the parliament. Someone in Milosevic's cabinet probably reads the newspapers. Mihajlo Markovic, member of the academy, made the case for lodging the indictment by saying that there was no question that this was a political trial—the important thing is that the indictment had been lodged, but when the trial will be, "that is something we will decide," perhaps if there is a repetition of 9 March. The SPO has proclaimed that day a holiday for its party; in December, the membership received the message from the party's presidium to the effect that it is preparing for a possible mobilization of the party.

Just like any political trial, this one, if it goes to court, will be turned against the regime, and, judging by the statement which the president of the district court in Belgrade made to POLITIKA, the indictment has for all practical purposes been withdrawn. ("No trial of Vuk Draskovic has been scheduled.") It is not very likely that that statement is a sign that the courts are independent, and if it were, it would not be given publicity in POLITIKA. It is not likely that the indictment results from the independent initiative of the opstina prosecutor, because if that were the case, the vice president of the SPS would not try to make the case for that decision. If he is a bad strategic forecaster, that does not mean that Milosevic has lost the feel for holding on to power. When he saw that the indictment was trouble for him rather than Draskovic, he probably appealed to the "law-governed state," and the law-governed state does not prosecute innocent citizens. Thus, an uninformed member of the academy has come off like some apparatchik—it has been made evident, as a matter of fact, that no one in this government is asking him anything, although that is not the way it seems to him. Or this is yet another sign of the regime's confusion.

The indictment lodged against Vuk Draskovic, leader of the SPO, because of the March demonstrations, has given Serbia's democratic opposition the opportunity to alarm public opinion with the assessment that there is growing repression in Serbia. All the parties which have been keeping to themselves have made themselves heard on this occasion. The Democratic Party protested the indictment, observing that the current government was responsible for the disorders which forced Radmilo Bogdanovic to submit his resignation and the top people in TV to be replaced. The Serbian Liberal Party used a similar line of argument in saying that the Serbian government and president of the republic were the ones responsible for the bloodshed on 9 March.

The Movement for Protection of Human Rights has called for the indictment to be withdrawn because it was without substance and has announced that it will call upon international institutions. The independent trade unions are also announcing that they will apply to international organizations. The unified trade union "Nezavisnost" ["Independence"] protested the suspension of Branislav Canak, Radio Belgrade newsman, whose only sin is that he did not agree to be a little screw in the propaganda machine.

The Fisherman Weaves the Net That He Needs

In recent months, Milosevic has appointed his most trusted people, who many think to be utterly compromised, to the most important posts, closing his eyes to all their stupidities, and patching up the government's torn nets by removing those who have begun to hamper him outright or could get in his way. The operation is probably very extensive when it goes so far as the position of the director of the "Radovic" Theater, whose auditorium is sometimes hired by the UJDI [Association for a Yugoslav Democratic Initiative] or the Independent Journalists Trade Union, and the position of the director of the National Theater, where on 9 March the door leading to the balcony was opened. The case of Mrs. Ugukalo, a member of the Socialist Party of Serbia who with another 100 citizens of a local community in New Belgrade called for recall of deputy Mihajlo Kovac, who belongs to the opposition Party of Yugoslavs, a member of the caucus of the opposition Democratic Party, because she "courted the opposition" is among the more comical indications that there is some kind of general directive to attack the opposition.

Milosevic knows that the threat that he will lose power becomes certain only when his nomenclature begins to fall apart. Just before New Year's, Milosevic showed that

perhaps he wants to soften his views on Kosovo, accusing the governors whom he himself appointed. Appointed and then abandoned. Skeljzen Malici of the Parliamentary Party of Kosovo believes that unless some special status is found for Kosovo, it is possible that the Albanians will undertake an armed revolt.

The Kosovo segment of Milosevic's team reacted excitedly to that, almost the same as a few weeks ago when they attacked Djindjic because he was proposing negotiations with the Albanians. Momcilo Trajkovic's message in an interview given to NIN was direct: "Don't write us off." Milosevic, as a man who grew up in the bureaucratic apparatus, knows how it goes sour and places are again found for some who have been written off, and sinecures provided to some. Dr. Dragutin Zelenovic is thus becoming adviser to the CIP, a design institute which has had a privileged position in construction of high-speed rail lines. From the personnel standpoint, he is continuing to rely on colonized Serbs, because he obviously feels that those from Sumadija are not excessively devoted to him. No one is confirming the reports of a silent conflict with Jovic, but they are continuing to come in uninterruptedly.

According to one theory, one of the reasons criminal prosecution of Vuk Draskovic was resorted to was his attempt to negotiate with Izetbegovic in Bosnia. Just before his departure to Moscow last fall, as VREME wrote, Draskovic exchanged love letters with Izetbegovic, proposing that Bosnia, as a member of an eccentric federation, would be a kind of bridge between the southern republics and Slovenia and Croatia. That initiative of Draskovic's perhaps threatens Milosevic's project of a "truncated Yugoslavia" and probably moderates the growing tension. As the author of *Noz* [*Knife*] and a man accused of Serbian nationalism, as a man born in Hercegovina, and as the leader of a party which has branches in Bosnia-Hercegovina, Draskovic opposes the division of Bosnia and believes that he could talk the Muslim leaders into giving in. Milosevic, who was "counting" on Karadzic until yesterday, has perhaps been persuaded from that quarter to attempt to neutralize such an opponent. Vuk Draskovic actually did conduct a dialogue in Sarajevo with Alija Izetbegovic in which they perhaps came to an important agreement. They seem to be closest to one another on the issue of the fate of the army. Izetbegovic is proposing that all states have their own army, but the air force, missile units, and similar arms would be an exception. The Army would be transformed on the basis of the expressed desire of the soldiers and officers. The surplus would be distributed into the economy, with respect paid to their qualifications. Assistance would be sought from the European Community to carry out this reform. Draskovic agrees with Izetbegovic: "We can get mad at that Army, but we cannot close our eyes to the fact that thousands of those officers must not be thrown out." A year ago, he was saying to retired General Mirkovic in the overflowing Youth Center: "Go home and pet your cat, general!"

There are suppositions (which are more the fruit of their authors' wishes) that Milosevic will perhaps come into conflict even with the army, which in the last act he will drive out into the open, and, if he has to, he will blame the war on it. That is probably an illusion; the officers and retired military are Milosevic's strategic reserve. Some of them will praise Seselj, but they will look to Milosevic for their daily bread. If nothing else in this war, they have been well-paid.

For the moment, the army is trying to disarm those returning from the front. The military police are thoroughly searching those whom it is allowed to stop. VECERNJE NOVOSTI, which has distinguished itself greatly in the war propaganda, is now writing that the Serbian MUP [Ministry of Internal Affairs] has taken so many weapons at checkpoints from those returning from the front that it could arm an entire brigade.

Two trucks with civilian license plates were discovered full of ammunition in Bubanj Potok. Several thousand hand grenades, 1,000 pistols, several hundred automatic rifles, and more than 100,000 rounds of ammunition have been confiscated in the last two months. Military police patrols are finding on returnees VCR's, cassette recorders, wrenches, automobile parts, even stolen cars intended for sale, and furniture parts. Some groups, like Arkan's, for example, according to certain accounts, are not stopped by anyone.

While the diplomatic battle is being waged for Bosnia and while reservists are driving over the Mostar bridge in their "picgauer" vehicles, checkpoints have been set up on the Drina. BORBA reports that a truckful of oil was apprehended at the "customs" near Mali Zvornik. The decree banning sales of certain products across the borders of the Republic of Serbia thus already means recognition of the border on the Drina. If Milosevic wanted to protect the Serbs, Rasim Kadic says, he would have stopped deliveries of food to Bosnia, where 1.3 million Serbs live.

Karadzic is said to have invited Draskovic to dinner in Sarajevo and said that he would think about Izetbegovic's new offer, but they ended the evening with views unchanged. Aleksa Buha, deputy of the SDS [Serbian Democratic Party], has said that Karadzic's Serbs had an agreement with Milosevic before they took political steps to proclaim Serbian Bosnia. It is not clear what Milosevic's relations are now with Karadzic and whether it is true that he avoided receiving him, nor is it clear whether Milosevic will ever remember that the Bosnian Serbs ever asked him anything. Asked whether Milosevic, as had been heard, would write Karadzic a letter, Rasim Kadic turned the thing around in an interview for Radio B-92: "Perhaps Karadzic will write a letter to Milosevic." Milosevic has not so far shown a desire to relent in Bosnia. His boots are stuck in the mud in Knin and he perhaps can no longer back up in Bosnia either, nor can he leave Karadzic, because it would appear that he had utterly abandoned Babic, nor does Izetbegovic believe that he could strike a deal with him. Whatever Milosevic does, the opposition will probably label him as a loser who has lost the state that the Serbs made and

is ruining the aspiration of the Serbs to come together in one state, and also that he has trampled on the oath he made in Gazimestan on 28 June 1989, when he said that Serbia had acquired dignity after six centuries.

Serbia

Three Croatian 'Terrorists' Killed, 8 Arrested

LD0602233192 Belgrade TANJUG in English 2104 GMT 6 Feb 92

[Text] Sombor, Feb 6 (TANJUG)—Of the twenty terrorists who infiltrated Serbia from the breakaway Republic of Croatia, eight were arrested and three killed in showdowns with the Serbian police, as Radovan Stojicic, deputy Serbian police minister, told the journalists today.

Stojicic said that one of the arrested terrorists was an Italian national. The other members of the terrorist group, including their leader Ivica Krnjak, are still at large. Two of the terrorists have been wounded.

The terrorist group infiltrated from Croatia was to have mined the bridges across the Danube, which link Serbia and Baranja (a Serbian region on Croatia's administrative territory).

After their first clash with the Serbian police and the Yugoslav People's Army (JNA) four days ago, the terrorists, wearing JNA uniforms, split into two groups - one left in the direction of Hungary and the other for the town of Apatin, in the Serbian province of Vojvodina.

Stojicic said that the group in the region of the Apatin commune was annihilated, and that the other 'does not stand a chance of escaping'.

Stojicic said that five members of the Macan family, living in the Vojvodina townlet of Bezdan, were arrested during the search for the terrorists because they were hiding them. One of the terrorists also belongs to the Macan family.

A Serbian policeman and two civilians - a man and a woman - were killed in a showdown with the terrorists.

Stojicic added that this terrorist group was trained in Osijek, eastern Slavonija, and was called 'The Independent Ustashi Unit'. The Ustasha were Croatian fascists, who ruthlessly killed around one million Serbs, Jews and gypsies during World War Two.

The port authorities of Novi Sad, the [words indistinct], today announced that the navigation regime on the Danube has not changed despite the 'attemnpts of (?the) terrorists to mine the bridge between Bezdan and Batina'.

Daytime and night-time navigation on the Danube is not restricted, but ships are forbidden to stop and anchor up to the Yugoslav border [word indistinct], as the port authorities announced.

Slovenia

Russian Envoy Confirms Recognition

AU0602172792 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 6 Feb 92

[Text] Russian special envoy Ambassador Yuri Stoponovic Deryabin stated during today's talks with Slovene Foreign Minister Dr. Dimitrij Rupel that the leaders of the Russian Federation decided to recognize the independence and sovereignty of the Republic of Slovenia.

Deryabin said that the Russian delegation came to Slovenia at the initiative of Russian President Boris Yeltsin in order to discuss all important questions concerning Slovenia's recognition. The official document on recognition will be sent soon after the return of the Russian delegation to Moscow.

Ambassador Deryabin also said that they are well aware of Slovenia's economic potential and, therefore, they wish to cooperate with our state as closely as possible. Deryabin said that Russia will also officially recognize Croatia as well as the right and wish of some of the former Yugoslav republics to form a new federation.

Dr. Rupel said that Slovenia wishes to establish diplomatic relations at the embassy level as soon as possible.

Krsko Power Plant Back in Operation

LD0602222992 Ljubljana Radio Slovenia Network in Slovene 2000 GMT 6 Feb 92

[Text] Gorazd Skrabar, shift leader in the control room of the Krsko nuclear power station, [words indistinct] declared that the power station had again been plugged into the power grid at 1950 [1850 GMT]. Its operation will be increased gradually, so that by tomorrow morning, the nuclear power station will be operating again at full strength.

Chamber of Commerce Promotes External Business

92BA0434B Ljubljana DNEVNIK in Slovene 20 Jan 92 p 3

[Article by Marjan Lekse: "Open Slovene Economy"—first paragraph is DNEVNIK introduction]

[Text] The GZS [Slovene Chamber of Commerce] will effectively support exports to West and East European states, and to other republics of the former Yugoslavia.

Ljubljana, 20 Jan—The fundamental aims of the GZS this year will be increasing exports, internationalizing the Slovene economy, and preserving Yugoslav markets.

The international recognition of the Republic of Slovenia, and the substantial increase in the possibilities for settling the Yugoslav crisis and establishing a lasting peace, will certainly have a favorable effect upon settling the economic situation and achieving the above goals. Of course, an additional and immediate effort by the economy, the state, and the entire GZS system to organize themselves operationally to support the economy is also necessary. The GZS

has agreed for this purpose that coordination on cooperation with Western states is to be taken over by GZS President Feri Horvat, coordination on cooperation with the Eastern (former socialist) states is to be headed by GZS Vice President Josip Skoberne, and GZS Vice President Dagmar Suster is to head cooperation for the area of the former Yugoslavia. The Chamber has agreed with the economic part of the government that it will also designate its own representatives.

The GZS's professional services, associations, regional chambers, and the most highly qualified personnel and enterprises will also participate in direct implementation of the program for operational support for exports to the Western and East European states and to the other republics of the former Yugoslavia, and the Chamber will also urge cooperation with state institutions.

In order to increase exports to the West and the East, it will be necessary to adopt an appropriate economic policy, implement a system of economic promotion, and also provide concrete assistance to individual enterprises. The basic elements of economic promotion abroad will be economic representations, participation in fairs, and direct promotional activities and publications. It is realistic to expect that most of the representations will be established in the second half of this year. Also planned are about 20 exhibitions and business conferences in the West and East European states, at the conference of European regions, at the World Economic Forum in Geneva, and in several American and Canadian cities. The Chamber will also devote particular attention to the states of the former CEMA, with which economic cooperation agreements should be signed as soon as possible.

In order to increase exports, it is important that exporters use all of the available information base. The GZS is to begin immediately to establish a system for collecting information to support the Slovene economy's desires and projects for foreign investments.

In order to provide operational support to the economy for exports to the republics of the former Yugoslavia, the Chamber will also, among other things, establish a special coordinating body that is to include representatives of enterprises, banks, and the government. This involves holding onto markets and the volume of commodity trade, and preventing it from declining further. Among other things, we should achieve the cancellation of the measures in individual republics that prevent the normal flow of goods, and payment transactions should be established with all the republics as soon as possible. All the agreements on payment transactions should likewise be standardized, which will facilitate business.

It is also necessary to conclude an agreement with all the republics on economic cooperation, which should proceed according to the rules of a free trade zone. The purpose of economic agreements should not be only to regulate economic relations; it is clearly also necessary to regulate the status of business entities in other republics and the employment of workers, and above all to protect the Slovene economy's property on the territory of those republics. All issues must be regulated on the basis of reciprocity. These agreements should also regulate the issue of the illegal seizure of the Slovene economy's property in other republics, primarily in Serbia and Montenegro.

Slovenia Establishes Sea Connection to Albania

92BA0434A Ljubljana DNEVNIK in Slovene
13 Jan 92 p 2

[Article by Toni Peric: "Macedonia Closer to Slovenia"—first paragraph is DNEVNIK introduction]

[Text] First voyage of a regular (?) line to Albania.

Koper, 13 Jan—On Saturday, the Petra, a ship from a German shipper that leased it to Splosna Plovba [General Shipping] in an attempt to link the Slovene and Macedonian economies by way of Albania, sailed from the Koper Port for the port of Durres in Albania. The ship's first voyage has more of a demonstrative and commercial purpose, since several businessmen also sailed on it. Two of them, representatives of Splosna Plovba, will attempt to establish relations in Albania with merchants there. Albania, in fact, as early as this spring will need a transportation link with Europe for early crops, but the highway route through Serbia and Croatia is too long and moreover still dangerous.

We have already written several times that the principal purpose of linking Slovenia and Macedonia by ship is to ensure transportation of the goods that both sides need. Experts, however, think that the Slovene and Macedonian economies combined are too small for a regular shipping line, and consequently the investors in this shipping route (Splosna Plovba and the Port) are hoping for government assistance, as in neighboring Italy, for instance.

On the ship, which set sail for the first time on Saturday for the Albanian port of Durres, there is room for 344 meters in length of standard-width trucks or containers. For the time being, that seems to be much too much. But what if it were literally impossible to find a shipper that would lease a ship for just one month, and the shortest period were six months? Splosna Plovba and the Port wanted to lease the ship first of all for one month, in order to evaluate in general what the needs were—and also, no one knows whether the roads might be passable and safe again as early as tomorrow or in a week.

Splosna Plovba made sure that shippers could also accompany the trucks. There are several cabins on the ship, and they will also accomodate one or two housing containers. The ship takes a full three days to sail to Durres, and thus it will sail from Koper (and from Durres) every four days; the price for the transportation of one truck is about $1,000.